# Manitoba Agriculture, Food and Rural Development

# Agriculture, Alimentation et Développement rural Manitoba

## Annual Report 2013-2014

## Rapport annuel 2013-2014

Manitoba

The Manitoba Agriculture, Food and Rural Development (MAFRD) annual report is available on the MAFRD website at http://www.gov.mb.ca/agriculture/reports-expenses/budgets-and-annual-reports.html.

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MINISTER OF
AGRICULTURE, FOOD AND RURAL DEVELOPMENT

Room 165
Legislative Building
Winnipeg, Manitoba CANADA
R3C 0V8

The Honourable Philip Lee
Lieutenant-Governor of Manitoba
Room 235 Legislative Building
Winnipeg, Manitoba R3C 0V8

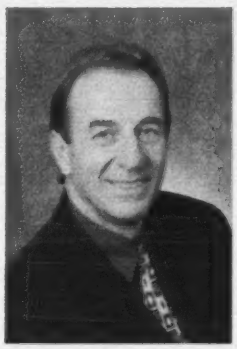
May it Please Your Honour:

I have the privilege of presenting for your review the annual report for Manitoba Agriculture, Food and Rural Development for the year ending March 31, 2014.

Respectfully submitted,

*Original signed by Ron Kostyshyn*

Honourable Ron Kostyshyn
Minister of Agriculture, Food and Rural Development



MINISTER OF
AGRICULTURE, FOOD AND RURAL DEVELOPMENT

Room 103
Legislative Building
Winnipeg, Manitoba CANADA
R3C 0V8

Son Honneur l'honorable Philip Lee
Lieutenant-gouverneur du Manitoba
Palais législatif, bureau 235
Winnipeg (Manitoba) R3C 0V8

Monsieur le Lieutenant-gouverneur,

J'ai le privilège de présenter à Votre Honneur, à des fins d'examen, le rapport annuel du ministère de l'Agriculture, de l'Alimentation et du Développement rural du Manitoba pour l'exercice terminé le 31 mars 2014.

Le tout respectueusement soumis,

Le ministre de l'Agriculture, de l'Alimentation et du Développement rural,

*Original signé par Ron Kostyshyn*

Ron Kostyshyn

Manitoba

**Agriculture, Food and Rural Development**
Deputy Minister of Agriculture, Food and Rural Development
Room 159
Legislative Building
Manitoba, Canada R3C 0V8
T 204-945-3734

Honourable Ron Kostyshyn
Minister of Agriculture, Food and Rural Development
Province of Manitoba

Sir,

I am pleased to present the annual report for the department of Manitoba Agriculture, Food and Rural Development for the year ending March 31, 2014.

Following the end of the Growing Forward Framework Agreement, Growing Forward 2 (GF2) was launched in April 2013. This five-year framework provides a fifty per cent increase in cost-shared investments for provincially targeted innovative initiatives. These strategic investments enable the industry to expand markets and to drive innovation, while remaining competitive in existing markets. Infrastructure that supports innovation is a tool we will continue to leverage to position agriculture as an economic driver.

This year we offered enhanced insurance-based risk management programs for producers. We introduced an improved Forage Insurance program and we pursued the Western Livestock Price Insurance Program, a price protection tool for livestock producers. In addition, GF2 funding for surveillance and biosecurity programs allowed government to strengthen our resolve to monitor animal diseases and prevent spreading to ensure our place in the market remains secure.

Economic growth and development of rural communities continued to be a focus for the department in 2013/14. We invested in programs such as Partner 4 Growth, the Regional Economic Analysis Process and Hometown Manitoba. These programs provide communities with the tools to drive economic development by encouraging rural businesses to create jobs and action plans.

I am optimistic about the future of Manitoba's agricultural and agrifood sector and in our rural communities. Through GF2, industry partnerships, science and research, and staff resourcefulness, we offer tools for the industry to remain resilient, drive new opportunities for growth and for businesses to succeed.

Respectfully submitted,

*Original signed by Dori Gingera-Beauchemin*

Dori Gingera-Beauchemin
Deputy Minister

Manitoba

**Agriculture, Alimentation et Développement rural**

Sous-ministre de l'Agriculture, de l'Alimentation et du Développement rural
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Monsieur Ron Kostyshyn
Ministre de l'Agriculture, de l'Alimentation et du Développement rural
Province du Manitoba

Monsieur le Ministre,

J'ai l'honneur de vous présenter le rapport annuel du ministère de l'Agriculture, de l'Alimentation et du Développement rural du Manitoba pour l'exercice terminé le 31 mars 2014.

L'expiration de l'accord-cadre *Cultivons l'avenir* a été suivi du lancement de *Cultivons l'avenir 2* (CA2) en avril 2013. Ce deuxième cadre quinquennal prévoit une hausse de 50 p. 100 du financement à coûts partagés d'initiatives novatrices ciblées à l'échelle provinciale. Ces investissements stratégiques permettent à l'industrie d'élargir ses marchés et de stimuler l'innovation, tout en demeurant compétitifs dans les marchés existants. L'infrastructure à l'appui de l'innovation est un outil que nous continuerons d'exploiter pour faire de l'agriculture une force motrice sur le plan économique.

Cette année, nous avons proposé aux producteurs des programmes renforcés de gestion du risque fondés sur l'assurance. Nous avons lancé un programme amélioré d'assurance pour les cultures fourragères et avons poursuivi le Programme d'assurance des prix du bétail dans l'Ouest, un outil de protection des prix à l'intention des éleveurs. Par ailleurs, le financement dans le cadre de CA2 de programmes de surveillance et de biosécurité a permis au gouvernement de réaffirmer sa détermination à surveiller les maladies des animaux et à éviter leur propagation de manière à protéger nos parts de marché.

La croissance économique et le développement des collectivités rurales sont demeurés au centre des activités du ministère en 2013-2014. Nous avons investi dans des programmes comme le Programme de partenariat pour la croissance, le processus d'analyse économique régionale (REAP) et Fiers chez nous. Ces programmes procurent aux collectivités des outils permettant de stimuler le développement économique en encourageant les entreprises rurales à créer des emplois et des plans d'action.

Je suis optimiste pour l'avenir du secteur agricole et agroalimentaire du Manitoba ainsi que dans nos collectivités rurales. Grâce à CA2, aux partenariats avec l'industrie, aux activités scientifiques et de recherche et à l'ingéniosité de notre personnel, nous offrons à l'industrie des outils favorisant le maintien de sa viabilité, de nouvelles possibilités de croissance et la réussite des entreprises.

Le tout respectueusement soumis,

La sous-ministre,

*Original signé par Dori Gingera-Beauchemin*

Dori Gingera-Beauchemin

## 2013/14 Highlights

### Growing Forward 2

The Growing Forward 2 (GF2) federal/provincial agricultural policy framework came into effect on April 1, 2013 and will continue until March 31, 2018. Through the agreement, Canada and Manitoba will help foster an environment for the agriculture and agrifood sectors to become more profitable, competitive and innovative.

Investments by federal, provincial and territorial governments over this five-year period will total more than $3 billion – including a 50 per cent increase in cost-shared investments for provincially targeted strategic initiatives. In Manitoba, the federal and provincial governments will invest $176 million over the life of the agreement's strategic initiatives, which represent an increase of $50 million from the previous agreement.

**Program Highlights**

| Program Name | Applications Received | Amount Approved $(000s) |
|---|---|---|
| **Growing Innovation** | 84 | 7,650 |
| Capacity & Knowledge Development | 28 | 7,150 |
| Diversification Centres | 4 | 300 |
| Agri-Food Research and Development Initiative | 44 | * |
| On-Farm | 8 | 200 |
| **Growing Value** | 36 | 1,568 |
| Commercialization | 34 | 68 |
| Transformation | 2 | 1,500 |
| **Growing Actions** | 10 | 565 |
| **Growing Assurance – Environment** | 176 | 1,990 |
| Ecological Goods and Services | 79 | 409 |
| Ecological Goods and Services Component 2 | 9 | 127 |
| Environmental/EFP | 88 | 1,454 |
| **Growing Assurance – Food Safety Trace/Bio** | 212 | 631 |
| Food Safety On-Farm | 193 | 376 |
| Food Safety Processing and Distribution | 19 | 255 |
| **Growing Visions** | 9 | 68 |
| **Growing Competitiveness** | 47 | 296 |
| Agri-Extension | 16 | 142 |
| Next Generation | 31 | 154 |
| **Total** | 574 | 12,768 |

*The 2013/14 application intake occurred late in 2013/14. Approvals occurred in 2014/15, with commitments to 32 projects (some multi-year) totaling more than $3.2 million.

### Economic Development Capacity of Rural Communities

The department continued to work with communities to build their capacity and readiness to attract economic development through funding programs and expertise.

- **Partner 4 Growth** provides cost-shared funding for regions to identify and pursue economic development opportunities. Fifteen projects were approved under Partner 4 Growth for $130 thousand of funding. This funding leveraged an additional $290 thousand from community partners.

- **Hometown Manitoba** contributes to the economic growth and enhances the main streets and public places in rural and northern Manitoba communities. Manitoba invested $174.4 thousand, which leveraged an additional $2.16 million in capital investment for Hometown Manitoba projects.
- **The Regional Economic Analysis Process** (REAP) combines a regional analysis of demographic, labour, business and industry data. This information, along with supporting workshops, helps communities identify economic development priorities and create an economic action plan. In 2013/14, seven REAP reports were delivered to seven regions involving 38 municipalities and First Nations.

## Science and Research

Thriving agriculture and agrifood industries rely on science, research and innovation to develop new products, adapt production to climate variability, produce food more sustainably and enhance competitiveness in the marketplace. MAFRD continues to invest in setting a solid foundation for scientific research and innovation in the agriculture and agrifood industries as demonstrated by the Growing Innovation program, which was launched in 2013/14 with the following components:

- **Capacity and Knowledge Development** – supports research in applied scientific infrastructure. MAFRD received 28 applications in this program and approved $7.15 million in funding.
- **Agri-Food Research and Development Initiative** (ARDI) – supports industry-led innovative research and development activities in crops, livestock, environment and food. An application intake was held late in 2013/14, with projects approved in 2014/15. There were commitments to 32 projects (some multi-year) totaling more than $3.2 million.
- **On-Farm** – involves innovation that was developed on-farm, which can provide benefits to both individual producers and industry. MAFRD received eight applications, with $200 thousand in approved funding.

Through Growing Innovation MAFRD supported many important on-farm and industry-led projects and initiatives, including the five Crop Diversification Centres, the Manitoba Agri-Health Research Network, and the Manitoba Livestock Manure Management Initiative.

## Managing Risk in Agriculture

**Production insurance** is the foundation for managing production losses related to specific crops or commodities caused by natural hazards. Two new programs were introduced in 2013/14:

- **Western Livestock Price Insurance Program** (WLPIP) – Through a partnership with Canada and the four western provinces, WLPIP provides price assurance for calves, feeders, fed cattle and hogs and basis insurance for fed cattle. The WLPIP is a four-year pilot project that includes an evaluation to assess its effectiveness as a risk management tool for livestock producers.
- **Forage Insurance** – A new AgriInsurance forage package was created to provide increased protection and flexibility for Manitoba beef and forage producers. Producers will be able to choose between Select Hay Insurance, which provides quality and production guarantees for different forage types on an individual basis, and Basic Hay Insurance, which insures against production losses on a whole-farm basis at a lower

cost. Other options include a Harvest Flood Option for coarse hay should a producer be unable to harvest this hay type due to excess moisture, and an Enhanced Quality Option for alfalfa hay producers based on an individualized relative feed value.

**Disease Surveillance and Support** – Disease outbreaks are not only a significant risk to individual herd health, but also for accessing markets inside and outside Canada. On February 13, 2014, Porcine Epidemic Diarrhea virus (PEDv) was found in a swine herd in Manitoba. PEDv is an emerging disease in pigs causing significant losses in the United States swine industry and has infected herds in Ontario, Prince Edward Island, Quebec and Manitoba. The department has responded to this with a number of initiatives including:

- Approving swine producers for $214.9 thousand toward biosecurity and food safety upgrades in the first year of GF2 (GF2 will continue to support Manitoba's pig producers in improving their biosecurity to prevent PEDv on farm)
- Supporting the Manitoba Pork Council initiatives to improve transport biosecurity
- Declaring PEDv as a reportable disease under *The Animal Diseases Act*.

The department also began preparing to manage four diseases no longer managed by the Government of Canada including rabies, anthrax, anaplasmosis, and chronic wasting disease.

## Grain Transportation Challenges

The record 2013 crop and extreme 2013/14 winter conditions combined to challenge the western Canadian grain handling and transportation system. Manitoba farmers were facing low elevator bids and widening basis levels as grain companies rationed deliveries to the elevator systems. Government responded with the following to help producers manage the effects of transportation issues:

- Established a special task force to address the grain transportation crisis
- Co-ordinated efforts with industry and government counterparts on immediate and longer-term solutions
- Eased road restrictions in the spring of 2014 so grain could be transported more efficiently
- Developed a bin listing service to help farmers identify available grain storage locations across the province
- Provided consultations and tools for producers to help deal with cash flow planning, marketing plan development and risk management, including deferred payments, debt consolidation loans, and the Operating Credit Guarantee program (through Manitoba Agricultural Services Corporation)
- Advocated on behalf of Manitoba producers on Bill C-30, the *Fair Rail for Grain Farmers Act*, recommending train car co-ordination and allocation by corridor and region, extended inter-switching, service level agreements and information sharing

## Market Access

The department continued to work with industry and other governments to improve access to markets outside Manitoba. In 2013/14, the department continued to advocate for the removal of Country of Origin Labeling in the United States, which is creating an unfair competitive advantage for American livestock producers over Canadian and other suppliers. The department also advocated for and supported Canada in its pursuit of a Comprehensive

Economic and Trade Agreement between Canada/European Union, the Trans-Pacific Partnership, and a free trade agreement with South Korea. These trade agreements will open markets for Canadian agricultural commodities and products.

**Community Pastures**

The department worked to help the transition of management of community pasture land from the federal government to the newly-formed Association of Manitoba Community Pastures (AMCP), a non-profit group of pasture patrons. Support announced in 2013/14 included $1 million in funding over the next three years to help AMCP take over the management of the community pastureland. This money will help AMCP cover transitional, capital and operational costs and will support organizational development.

**Food and Agri-Product Development**

- **Food Safety** – Manitoba successfully implemented a provincial meat inspection program in 2013/14 to provide oversight in provincially permitted abattoirs. The Canadian Food Inspection Agency previously handled this service under a fee for service contract. The department continued to increase the safety of food produced in Manitoba. Through GF2, 15 food processing businesses applied, on a cost-shared basis to adopt good manufacturing practices, enhancing food safety. In total, MAFRD approved 19 food safety projects from the 15 food processing businesses that applied.
- **Bio Products Program** – As part of the province's commitment to reduce greenhouse gas emissions, 20 farms and agribusinesses received more than $444 thousand in grants to switch from coal to biomass heating systems. These projects are estimated to reduce the amount of coal used by more than 4,500 tonnes every year, reducing greenhouse gas emissions by approximately 7,000 tonnes. The amount of biomass available for use is expected to increase by 7,600 tonnes annually because of the funded projects.
- **Buy Manitoba** – Manitoba continued to support increased awareness and sales of products grown or processed in Manitoba. Through the Rural Economic Development Initiatives (REDI) fund, more than $355 thousand was provided to the Manitoba Food Processors Association for the fourth year of the five-year Buy Manitoba Program. Consumer awareness of the program reached 30 per cent in 2013, with a presence in over 60 retail grocery and restaurant outlets. Because of the program, ten participating companies have added 64 direct full time equivalent jobs with estimated total processing value of $16.9 million. Through an $81.3 thousand REDI contribution, the province helped local food producers by assisting Food Matters Manitoba to implement a pilot project geared at breaking down barriers to buying locally grown food.
- **Grain Innovation Hub** – In partnership with the federal government, the grain industry, researchers, and farm organizations, the department announced the Grain Innovation Hub. Through the Hub, governments and stakeholders will collaboratively identify and pursue projects that elevate grain-based opportunities to a global scale. Two projects funded under GF2 that support the mandate of the new Hub include $1 million for Manitoba Corn Growers to conduct agronomic studies on expanding corn acreage in Manitoba and significant infrastructure investments in the Canadian Centre for Agri-Food Research in Health and Medicine to study the effects of different foods on human and animal metabolism.

## Points saillants 2013-2014

***Cultivons l'avenir 2***

Le cadre stratégique fédéral-provincial pour l'agriculture *Cultivons l'avenir 2* (CA2) est en vigueur du 1er avril 2013 au 31 mars 2018. Par cet accord, le Canada et le Manitoba favoriseront un environnement où les secteurs agricole et agroalimentaire deviendront plus profitables, plus compétitifs et plus novateurs.

Les investissements qui seront réalisés par les gouvernements fédéral, provinciaux et territoriaux sur cette période de cinq ans dépasseront les trois milliards de dollars – avec notamment une hausse de 50 p. 100 du financement à coûts partagés d'initiatives stratégiques ciblées à l'échelle provinciale. Au Manitoba, les gouvernements fédéral et provincial investiront 176 millions de dollars sur la durée des initiatives stratégiques admissibles en vertu de l'accord, soit une augmentation de 50 millions de dollars par rapport à l'accord précédent.

**Points saillants des programmes**

| Nom du programme | Demandes reçues | Montant approuvé (en milliers de dollars) |
|---|---|---|
| **Cultivons l'innovation** | 84 | 7 650 |
| Développement des capacités et des connaissances | 28 | 7 150 |
| Centres de diversification | 4 | 300 |
| Initiative de recherche et de développement en agroalimentaire | 44 | * |
| Innovation à la ferme | 8 | 200 |
| **Cultivons la valeur** | 36 | 1 568 |
| Commercialisation | 34 | 68 |
| Transformation | 2 | 1 500 |
| **Cultivons les actions** | 10 | 565 |
| **Cultivons la protection – Environnement** | 176 | 1 990 |
| Biens et services écologiques | 79 | 409 |
| Biens et services écologiques - volet 2 | 9 | 127 |
| Environnement/PEF | 88 | 1 454 |
| **Cultivons la protection – Salubrité des aliments, traçabilité et biosécurité** | 212 | 631 |
| Salubrité des aliments à la ferme | 193 | 376 |
| Salubrité des aliments, transformation et distribution | 19 | 255 |
| **Cultivons les visions** | 9 | 68 |
| **Cultivons la compétitivité** | 47 | 296 |
| Vulgarisation en agriculture | 16 | 142 |
| Next Generation | 31 | 154 |
| **Total** | 574 | 12 768 |

*Les demandes pour 2013-2014 ont été reçues vers la fin de 2013-2014. Les projets ont été approuvés en 2014-2015, avec des engagements d'un montant total de 3,2 millions de dollars répartis entre 32 projets (dont certains à caractère pluriannuel).

## Capacité de développement économique des collectivités rurales

Le ministère a continué de travailler avec les collectivités pour renforcer leur capacité et leur préparation à stimuler développement économique par de l'expertise et des programmes de financement.

- **Le Programme de partenariat pour la croissance** procure aux régions du financement à coûts partagés en vue de définir des possibilités de développement économique et de les réaliser. Quinze projets ont été approuvés dans le cadre de ce programme, avec une enveloppe budgétaire totale de 130 000 $. Ce financement a permis d'obtenir 290 000 $ supplémentaires de partenaires communautaires.
- **Le programme Fiers chez nous** contribue à la croissance économique et améliore les rues principales et les lieux publics dans les collectivités rurales et du Nord du Manitoba. Le Manitoba a investi 174 400 $, et ce financement a permis d'obtenir des investissements supplémentaires de 2,16 millions de dollars dans des immobilisations incluses à des projets Fiers chez nous.
- **Le processus d'analyse économique régionale (Regional Economic Analysis Process ou REAP)** allie une analyse régionale des données sur la situation démographique, la main-d'œuvre, les entreprises et l'industrie. Assortie d'ateliers, cette information aide les collectivités à définir des priorités de développement économique et à créer un plan d'action économique. En 2013-2014, sept rapports REAP ont été présentés à sept régions concernant 38 municipalités et Premières Nations.

## Sciences et recherche

Les industries agricoles et agroalimentaires florissantes s'appuient sur les sciences, la recherche et l'innovation pour élaborer de nouveaux produits, adapter la production à la variabilité du climat, produire des aliments de manière plus durable et renforcer leur compétitivité au sein des marchés. Le ministère continue d'investir afin d'établir des bases solides pour la recherche scientifique et l'innovation dans les industries agricoles et agroalimentaires, comme le démontre le programme *Cultivons l'innovation*, lancé en 2013-2014 avec les éléments suivants :

- **Développement des capacités et des connaissances** – soutient la recherche en matière d'infrastructure scientifique appliquée. Le ministère a reçu 28 demandes dans le cadre de ce programme et a approuvé du financement pour un total de 7,15 millions de dollars.
- **Initiative de recherche et de développement en agroalimentaire** – soutient les activités novatrices de recherche et développement dirigées par l'industrie dans les domaines des cultures, de l'élevage, de l'environnement et de l'alimentation. Les demandes pour 2013-2014 ont été reçues vers la fin de 2013-2014. Les projets ont été approuvés en 2014-2015, avec des engagements d'un montant total de 3,2 millions de dollars répartis entre 32 projets (dont certains à caractère pluriannuel).
- **Innovation à la ferme** – englobe les efforts d'innovation mis au point à la ferme dont peuvent bénéficier à la fois les producteurs en question et l'industrie. Le ministère a reçu huit demandes et approuvé du financement à hauteur de 200 000 $.

Grâce à *Cultivons l'innovation*, le ministère a soutenu un grand nombre d'initiatives et de projets importants menés à la ferme ou au sein de l'industrie, comme les cinq centres de diversification des cultures, le réseau de recherche en agrosanté du Manitoba et la Manitoba Livestock Manure Management Initiative.

## Gestion des risques dans l'agriculture

**L'assurance-production** est le fondement de la gestion des pertes de production liées à des cultures ou des produits de base précis causées par des aléas naturels. Deux nouveaux programmes ont été lancés en 2013-2014 :

- **Programme d'assurance des prix du bétail dans l'Ouest (WLPIP)** – Dans le cadre d'un partenariat avec le Canada et les quatre provinces de l'Ouest, le WLPIP propose une assurance des prix des veaux, des bovins d'engraissement, des bovins engraissés et des porcs ainsi qu'une assurance de base pour les bovins engraissés. Le WLPIP est un projet pilote de quatre ans incluant une évaluation de sa propre efficacité comme outil de gestion du risque pour les éleveurs de bétail.
- **Assurance pour les cultures fourragères** – Un nouveau programme d'agri-protection des cultures fourragères a été créé pour procurer aux producteurs de bovins et de cultures fourragères du Manitoba une protection et une souplesse accrues. Les producteurs pourront choisir entre l'assurance à choix pour le foin, qui fournit des garanties individuelles contre les pertes de production et de qualité concernant divers types de cultures fourragères, et l'assurance de base pour le foin, qui couvre à moindre coût les pertes de production de l'ensemble d'une exploitation. Parmi les autres options possibles, mentionnons une option relative aux récoltes inondées, qui couvre le foin brut lorsque le producteur n'est pas en mesure d'effectuer la récolte en raison d'une humidité excessive, et une option qualité élevée pour les producteurs de foin de luzerne, reposant sur une valeur fourragère relative individualisée.

**Surveillance des maladies et soutien connexe** – Les épidémies animales ne posent pas seulement un risque important pour la santé de troupeaux individuels, elles mettent aussi en péril l'accès aux marchés nationaux et internationaux. Le 13 février 2014, le virus de la diarrhée épidémique porcine a été détecté dans un troupeau de porcs au Manitoba. Ce virus est une nouvelle maladie qui a provoqué des pertes importantes dans l'industrie étatsunienne du porc et qui a infecté des troupeaux en Ontario, dans l'Île-du-Prince-Édouard, au Québec et au Manitoba. Le ministère a réagi par diverses initiatives, notamment :

- l'approbation pour les producteurs de porcs d'un financement de 214 900 $ pour des améliorations liées à la biosécurité et à la salubrité des aliments pendant la première année de CA2 (CA2 continuera d'aider les producteurs de porcs du Manitoba à améliorer la biosécurité afin d'éviter la propagation du virus de la diarrhée épidémique porcine dans les exploitations);
- le soutien aux initiatives du Conseil manitobain du porc visant à améliorer la biosécurité au niveau des transports;
- la désignation du virus de la diarrhée épidémique porcine comme une maladie déclarable en vertu de la *Loi sur les maladies des animaux*.

Le ministère a également commencé à se préparer à la gestion de quatre maladies qui ne sont plus gérées par le gouvernement du Canada – la rage, le charbon, l'anaplasmose et la maladie débilitante chronique.

## Défis liés au transport du grain

La récolte record de 2013 et les conditions extrêmes de l'hiver 2013-2014 ont mis à rude épreuve le réseau de manutention et de transport du grain dans l'Ouest canadien. Les agriculteurs du Manitoba ont été confrontés à de faibles prix au silo et à l'élargissement des

niveaux de base du fait du rationnement par les sociétés céréalières des livraisons aux réseaux de silos. Le gouvernement a réagi en prenant les mesures suivantes pour aider les producteurs à gérer les effets des problèmes liés au transport :

- établissement d'un groupe de travail spécial pour faire face à la crise du transport du grain;
- efforts coordonnés avec l'industrie et des homologues gouvernementaux pour adopter des solutions immédiates et à plus long terme;
- assouplissement des restrictions routières au printemps 2014 pour que le grain puisse être transporté de manière plus efficiente;
- établissement d'un service de liste de cellules de stockage pour aider les agriculteurs à localiser les lieux de stockage du grain disponibles dans toute la province;
- mise à la disposition des producteurs de consultations et d'outils pour les aider dans la planification des flux de trésorerie, l'élaboration de plans de marketing et la gestion du risque, notamment les paiements différés, les prêts accordés pour la consolidation des dettes et le programme de garanties de crédit à l'exploitation (par l'entremise de la Société des services agricoles du Manitoba);
- représentation des intérêts des producteurs manitobains relativement au projet de loi C-30, la *Loi sur le transport ferroviaire équitable pour les producteurs de grain*, en recommandant une coordination et une répartition des wagons par couloir de transport et par région, des aiguillages inter-rails élargis, des ententes sur les niveaux de service et le partage de l'information.

**Accès aux marchés**

Le ministère a continué de travailler avec l'industrie et d'autres gouvernements pour améliorer l'accès aux marchés hors du Manitoba. En 2013-2014, le ministère a continué de défendre la suppression de l'étiquetage indiquant le pays d'origine aux États-Unis, qui crée un avantage concurrentiel injuste pour les éleveurs d'animaux de ferme étatsuniens par rapport aux producteurs du Canada et d'autres pays. Le ministère a également défendu et soutenu le Canada dans ses négociations autour d'un Accord économique et commercial global (AECG) entre l'Union européenne et le Canada, du Partenariat transpacifique et d'un accord de libre-échange avec la Corée du Sud. Ces accords commerciaux ouvriront des marchés pour les produits agricoles canadiens.

**Pâturages collectifs**

Le ministère a travaillé pour faciliter le transfert de la gestion des pâturages collectifs du gouvernement fédéral à la nouvelle Association of Manitoba Community Pastures (AMCP), un organisme sans but lucratif d'utilisateurs des pâturages. Le soutien annoncé en 2013-2014 comprenait une enveloppe de 1 million de dollars sur les trois prochaines années pour aider l'AMCP à assumer la gestion des pâturages collectifs. Ces fonds aideront l'AMCP à assumer les coûts de transition, d'immobilisations et d'exploitation et soutiendront le développement organisationnel.

**Développement des produits alimentaires et agricoles**

- **Salubrité des aliments** – En 2013-2014, le Manitoba a mis en œuvre avec succès un programme provincial d'inspection des viandes chargé d'assurer la supervision dans les abattoirs autorisés par le gouvernement provincial. Auparavant, ce service était rendu par

l'Agence canadienne d'inspection des aliments dans le cadre d'un contrat de paiement à l'acte. Le ministère a continué de renforcer la salubrité des aliments produits au Manitoba. Quinze entreprises du secteur de la transformation alimentaire ont fait dans le cadre de CA2 une demande selon le principe du partage des coûts en vue de l'adoption de saines pratiques de fabrication qui renforceront la salubrité des aliments. Au total, le ministère a approuvé 19 projets axés sur la salubrité des aliments présentés par les 15 entreprises du secteur de la transformation alimentaire qui ont fait une demande.

- **Programme de bioproduits** – Dans le cadre de l'engagement du gouvernement provincial de réduire les émissions de gaz à effet de serre, 20 exploitations et entreprises agricoles ont reçu plus de 444 000 dollars en subventions pour passer du charbon à la biomasse en changeant de systèmes de chauffage. Ces projets devraient réduire de plus de 4 500 tonnes par an la quantité de charbon utilisée et d'environ 7 000 tonnes les émissions de gaz à effet de serre. La quantité de biomasse disponible devrait augmenter de 7 600 tonnes par an grâce aux projets ainsi financés.
- **Achetez manitobain** – Le Manitoba a continué de soutenir une sensibilisation accrue à l'égard des produits élevés, récoltés ou transformés au Manitoba et une hausse des ventes connexes. Par l'entremise de l'Initiative de développement économique rural, plus de 355 000 $ ont été alloués à la Manitoba Food Processors Association pour la quatrième année du programme quinquennal Achetez manitobain. En 2013, le programme était connu de 30 p. 100 des consommateurs et présent dans plus de 60 épiceries et restaurants. Grâce au programme, dix entreprises participantes ont ajouté 64 emplois directs à temps plein à leur effectif, avec une valeur totale estimative de la transformation de 16,9 millions de dollars. Par une contribution de 81 300 $ de l'Initiative de développement économique rural, la Province a soutenu les producteurs alimentaires locaux en aidant Food Matters Manitoba à mettre en œuvre un projet pilote visant à éliminer les obstacles à l'achat d'aliments locaux.
- **Centre d'innovation pour les grains** – En partenariat avec le gouvernement fédéral, l'industrie du grain, les chercheurs et les organisations agricoles, le ministère a annoncé l'établissement du Centre d'innovation pour les grains. Grâce à ce centre, les gouvernements et les intervenants définiront et mettront en œuvre conjointement des projets visant à élever au niveau mondial les possibilités liées au grain. Deux projets financés dans le cadre de CA2 appuient le mandat du nouveau Centre – un million de dollars alloué à la Manitoba Corn Growers Association pour mener des études agronomiques sur l'élargissement des surfaces consacrées au maïs au Manitoba, et d'importants investissements dans l'infrastructure au Centre canadien de recherches agroalimentaires en santé et médecine pour étudier les effets d'aliments divers sur le métabolisme humain et animal.

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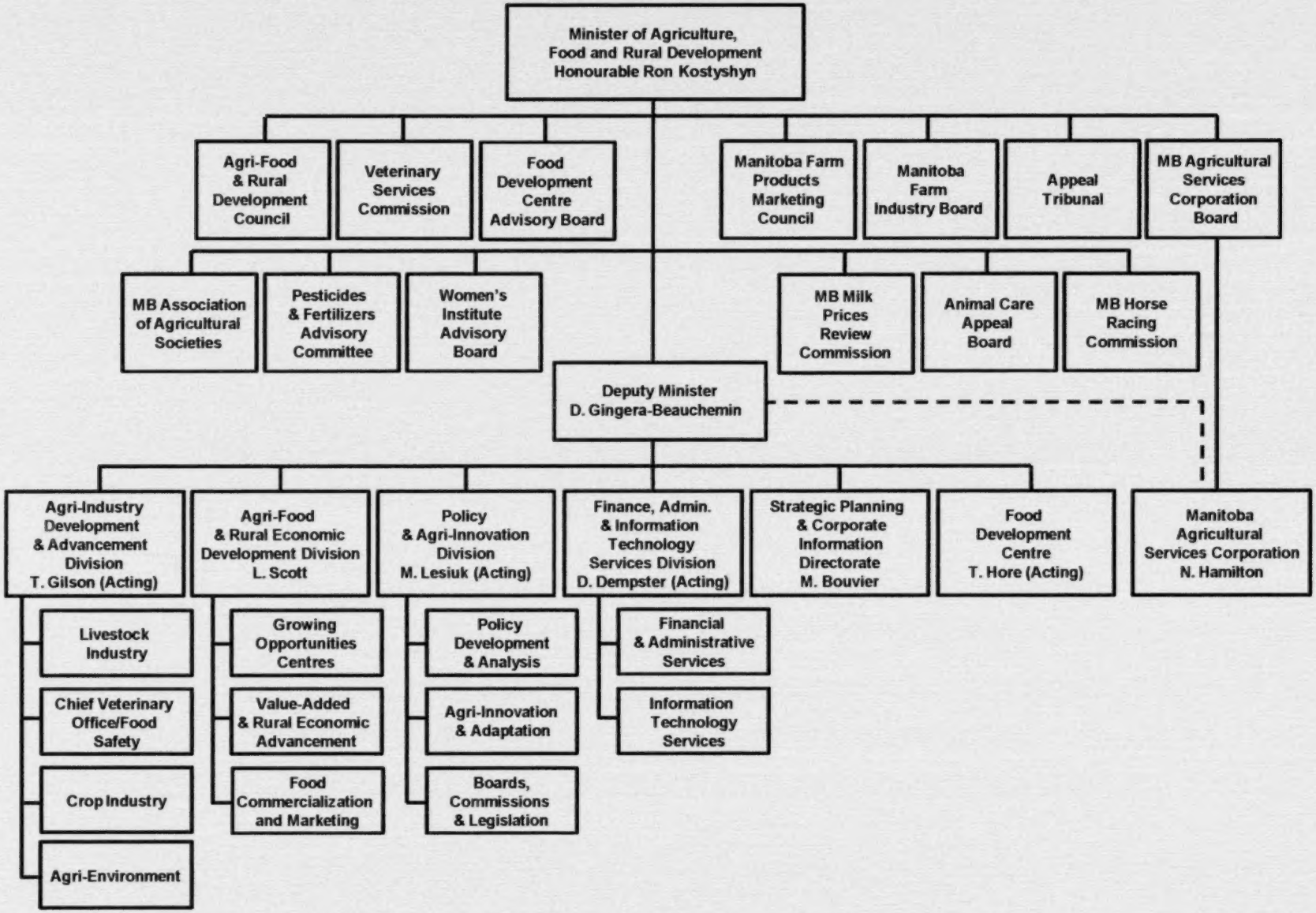
# Organization Chart of Manitoba Agriculture, Food and Rural Development

(This organization chart depicts the status of the department as of March 31st, 2014)


Minister of Agriculture, Food and Rural Development Honourable Ron Kostyshyn
Agri-Food & Rural Development Council
Veterinary Services Commission
Food Development Centre Advisory Board
Manitoba Farm Products Marketing Council
Manitoba Farm Industry Board
Appeal Tribunal
MB Agricultural Services Corporation Board
MB Association of Agricultural Societies
Pesticides & Fertilizers Advisory Committee
Women's Institute Advisory Board
MB Milk Prices Review Commission
Animal Care Appeal Board
MB Horse Racing Commission
Deputy Minister D. Gingera-Beauchemin
Agri-Industry Development & Advancement Division T. Gilson (Acting)
Agri-Food & Rural Economic Development Division L. Scott
Policy & Agri-Innovation Division M. Lesiuk (Acting)
Finance, Admin. & Information Technology Services Division D. Dempster (Acting)
Strategic Planning & Corporate Information Directorate M. Bouvier
Food Development Centre T. Hore (Acting)
Manitoba Agricultural Services Corporation N. Hamilton
Livestock Industry
Chief Veterinary Office/Food Safety
Crop Industry
Agri-Environment
Growing Opportunities Centres
Value-Added & Rural Economic Advancement
Food Commercialization and Marketing
Policy Development & Analysis
Agri-Innovation & Adaptation
Boards, Commissions & Legislation
Financial & Administrative Services
Information Technology Services

# MANITOBA AGRICULTURE, FOOD AND RURAL DEVELOPMENT

## Executive

Honourable Ron Kostyshyn, Minister

D. Gingera-Beauchemin, Deputy Minister

T. Gilson, A/Assistant Deputy Minister
Agri-Industry Development and Advancement Division

L. Scott, Assistant Deputy Minister
Agri-Food and Rural Economic Development Division

M. Lesiuk, A/Assistant Deputy Minister
Policy and Agri-Innovation Division

D. Dempster, A/Executive Financial Officer*
Finance, Administration and Information Technology Services Division

M. Bouvier, Executive Director
Strategic Planning and Corporate Information Directorate

T. Hore, A/General Manager and Chief Operating Officer
Food Development Centre

N. Hamilton, President and Chief Executive Officer
Manitoba Agricultural Services Corporation

*Acting status as of August 2013 for A. Leibfried

# Preface

## Purpose and Organization of the Annual Report

This report was prepared by Manitoba Agriculture, Food and Rural Development (MAFRD) to summarize the activities and accomplishments of the department during the 2013/14 fiscal year. The report is divided into two major sections:

- **Section One** includes Part A – Program and Financial Information and Part B – Capital Investment are organized in accordance with the departmental appropriation structure.
- **Section Two** contains all appendices, such as summary financial tables, ministerial statutory responsibilities, performance indicators, information on *The Public Interest Disclosure (Whistleblower Protection) Act* and sustainable development activities.

This report is presented according to the financial organization of the department, and is not necessarily organized according to programs and services.

## Mission

MAFRD works to accelerate the greater prosperity and capacity of agricultural producers and industry, food processors, other rural entrepreneurs, organizations as well as rural and northern communities. We do this by providing leadership and a range of information, programs and services in support of a vibrant rural Manitoba.

## Our Vision

*Agriculture will be a solution provider in the transformation and growth of Manitoba's economy providing:*

- *Profitable primary agriculture*
- *Increased economic activity and investment in rural Manitoba*
- *Increased manufacturing of Manitoba-produced commodities for food, animal feed, bio-energy, biofibre and other uses*
- *Enhanced availability of products, such as nutraceuticals, functional foods and pharmaceuticals that increase the health and wellness of Manitobans and the world*
- *Solutions to enhancing environmental sustainability in Manitoba.*

## Values

- *Family farm businesses form the backbone of Manitoba's agrifood industry.*
- *Agriculture, food and rural economic development are key parts of Manitoba's present and future economic prosperity.*
- *Profitable agricultural production is a foundation for rural Manitoba.*
- *Agriculture producers, landowners and stakeholders have a key role in maintaining and supporting healthy agro-ecosystems.*
- *Economic diversity and community-centred development are important to a vibrant rural Manitoba.*
- *Rural Manitobans have the natural and human resources to grow and diversify their economies.*
- *Success will result from proactive, action-orientated and innovative approaches.*
- *We accomplish more through partnerships and consultation with producers, business owners, industry and communities.*
- *We provide unbiased technical advice.*

## Goals

- *Agriculture – enabling a globally competitive agriculture industry*
- *Food – facilitating a competitive food processing industry*
- *Rural Development – promoting the economic growth of rural Manitoba*

## Strategic Priorities

**PRIORITY 1 – Food Security - Production and Safety**

- Protecting the safety of Manitoba's food supply
- Increasing agricultural productivity
- Supporting risk management practices
- Regulatory compliance and promotion

**PRIORITY 2 – Economic Opportunities**

- Building a supportive business environment
- Growing value-added business
- Increasing viability of farm businesses
- Increasing agricultural productivity
- Building economic development capacity

**PRIORITY 3 – Agricultural Resource Base**

- Ensuring a healthy agro-ecosystem
- Climate change resilience/adaptation
- Supporting risk management practices
- Regulatory compliance and promotion

**PRIORITY 4 – Science, Innovation and Adaptation**

- Increasing innovation capacity in Manitoba
- Supporting agriproduct/bioproduct advancement
- Climate change resilience/adaptation

## Tools and Resources:

MAFRD provides programs and services to a broad audience ranging from agricultural producers, food and agriproduct processers, and rural communities.

MAFRD continues to strive to deliver programs and services effectively and efficiently to our clients. MAFRD delivers its program and services in rural Manitoba through Growing Opportunities (GO) Centres/Offices including one Winnipeg-based GO centre. Knowledge Centres support the delivery of programs and services through the development of leading edge knowledge in their respective area of responsibility for delivery to clients. MAFRD works closely with stakeholders as strategic partners with the Food Development Centre (a special operating agency) and with the Manitoba Agricultural Services Corporation (a Crown corporation).

The department invests in scientific research and development programs and initiatives to drive innovation, increased competitiveness and sustainability of the agrifood industry. MAFRD's financial investments leverage significant industry contributions to advance innovation further.

MAFRD uses information technology resources to allow clients to receive services closer to home. MAFRD embraces a system of knowledge sharing; striving to teach people, in their own context and life situations, how to identify and assess their own opportunities and problems; helping them acquire the knowledge and skills required to capture their opportunities and to meet their needs; and inspiring them to action now and in the future. Improving service to clients, evaluating program effectiveness and managing financial and human resources to maximize efficiencies and effectiveness continue to drive decision making within MAFRD.

A key mechanism for delivering agriculture and agrifood programming is Growing Forward 2 (GF2). GF2 is a framework for co-ordinated federal/provincial/territorial government action to foster innovation, competitiveness and market development and adaptability and industry capacity by using strategic initiatives and business risk management programs. GF2 framework priorities include proactive and strategic investments that move the sector forward; enhanced co-ordination and collaboration; and the use of innovation to increase productivity, reduce costs and advance sustainability. Federal, provincial and territorial ministers have ensured that this mechanism will continue to provide support to the delivery of agriculture and agrifood programming through March 2018.

## Performance Indicators

Performance indicators in departmental annual reports provide Manitobans with meaningful and useful information about the outcomes of government's activities along with financial results. Some measures incorporate data collected by the provincial government, while others show data collected by external agencies.

The department currently tracks five indicators in support of the priorities identified in the strategic plan. The department continues to develop and refine its performance indicators at the Knowledge Centre and GO team level in order to illustrate the outcomes achieved through their efforts.

For MAFRD's Performance Indicators refer to Appendix I.

## Internet Site

The department's annual report and details on its many programs and services can be found on the Manitoba Agriculture, Food and Rural Development Internet site; www.gov.mb.ca/agriculture.

# SECTION ONE

# PART A

# PROGRAM AND FINANCIAL INFORMATION

# Appropriation 1
# Administration and Finance

Administration and Finance provides for the executive management, strategic planning and control of departmental policies and programs. It includes financial and administrative management, accounting, comptrollership accountability, and information technology services.

## Appropriation 1 (a) – Minister's Salary

Provides for the additional compensation an individual appointed to the Executive Council is entitled to.

### 1 (a) Minister's Salary

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Salaries and Employee Benefits | 37 | 1.00 | 37 | - | |
| **Total Sub-Appropriation** | **37** | **1.00** | **37** | **-** | |

## Appropriation 1 (b) – Executive Support

Executive support provides executive leadership, policy direction, and operational co-ordination including communication of the department activities and initiatives to meet the government policy objectives and attain the priorities set out in the department plan. The Deputy Minister advises the Minister on matters related to strategic and program options of the department and provides direction to the department on the overall management and development of policies and programs in compliance with government policy.

| **Objective: To provide effective leadership in achieving the department's mission, goals, objectives, and priorities.** |
|---|
| Expected Results:<br>• Effective and efficient delivery of the department's programs and services including allocation of financial, physical and human resources in line with the government's policies and priorities. |
| Actual Results:<br>• Executive staff ensured that departmental resources were allocated in accordance with departmental priorities and government policies.<br>• The department led and co-ordinated the decision-making process in the development, implementation, monitoring and evaluation of the department's policies and programs.<br>• The department strengthened knowledge and practice of lean management principles by undertaking two formal lean projects. These projected focused on Growing Forward 2 and the Youth Protection Program component of the 4-H program. |

### 1 (b) Executive Support

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 605 | 9.00 | 679 | (74) | |
| (2) Other Expenditures | 80 | - | 66 | 14 | |
| (3) Policy Studies | 18 | - | 30 | (12) | |
| **Total Sub-Appropriation** | **703** | **9.00** | **775** | **(72)** | |

## Appropriation 1 (c) – Strategic Planning and Corporate Information Directorate

The Strategic Planning and Corporate Information Directorate's (SPCID) mandate is to:

- Provide leadership in the development of the departmental vision and its strategic plan
- Foster excellence in unit-level strategic and operational planning
- Lead the department's performance management system, and provide oversight on performance reporting requirements for federal/provincial programming
- Support, monitor and report on implementation of strategic directions and policies for the department
- Co-ordinate corporate reporting including annual estimates, annual reports, *The Freedom of Information and Protection of Privacy Act* (FIPPA)
- Support the department's capacity to implement lean management practices to increase effectiveness and efficiency in the use of departmental resources.

| **Objective 1: Strategic and Operational Planning** |
|---|
| Expected Results:<br>• Departmental strategic plan is current and focused on stated priorities.<br>• The work units within the department will have operational plans that align with departmental priorities and objectives.<br>• The AgriFood and Rural Development Council provides advice on opportunities and approaches for future prosperity in the agriculture and food sectors and rural communities.<br>• Pilot projects using lean management principles will be developed and supported. |
| Actual Results:<br>• Support was provided to the department's executive management committee in examining and updating the department's strategic plan.<br>• Work unit budgets and operational plans are aligned with departmental priorities and objectives.<br>• The directorate leveraged the department's Growing Forward 2 (GF2) consultation processes to provide input into strategic planning. The directorate also consulted with the Manitoba Food Processors Association for perspectives on how to strengthen the competitiveness of the food processing sector.<br>• The directorate supported the department to undertake two lean pilot projects:<br>o Application, assessment and approval process for GF2 innovation programs<br>o Youth Protection Program within 4-H, which screens adult leaders working with 4-H youth |

| **Objective 2: Program Evaluation and Reporting** |
|---|
| Expected Results:<br>• Planning and reporting will focus on the department priorities and objectives and will be tabled in the legislature as required in *The Financial Administration Act.*<br>• Project management support will be provided to the minister and executive management committee to help achieve briefing and reporting requirements.<br>• An integrated performance management system with related management tools such as program logic models that ensure program consistency with overall departmental direction.<br>• Advancement in performance measurement development and its use in decision making, supporting effective and economical resource allocation and continuous program improvement.<br>• Enhanced transparency and accountability in performance reporting. |
| Actual Results:<br>• The directorate co-ordinated processes to create and table the 2012/13 annual report and the 2013/14 supplementary information for legislative review.<br>• The directorate examined and modified the advisory note system to improve timeliness and accessibility of program information.<br>• The department responded to 67 requests for information under FIPPA. |

- The directorate worked with various parts of the department to develop performance measures on economic and employment outcomes. Further work will focus on performance measures for sustainability and competitiveness of primary agriculture and economic development readiness for rural economic development.

**Objective 3: Emergency and Business Continuity Planning**

Expected Results:

- Departmental emergency plan is updated and aligned with provincial emergency plan.
- Emergency response is co-ordinated within the department and effectively communicated to stakeholders.
- Unit-level business continuity plans updated to reflect changes to departmental structure.

Actual Results:

- The departmental emergency plan is aligned with the provincial emergency plan. The responsibility for emergency management co-ordination was transferred to Chief Veterinary Office (CVO)/Food Safety Knowledge Centre late in the 2013/14 fiscal year.
- CVO/Food Safety Knowledge Centre handled emergency response in 2013/14, which focused on animal disease.
- Business continuity plans reflect the realignment of the department in 2013/14.

## 1 (c) Strategic Planning and Corporate Information Directorate

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 399 | 7.00 | 565 | (166) | |
| (2) Other Expenditures | 93 | - | 133 | (40) | |
| **Total Sub-Appropriation** | **492** | **7.00** | **698** | **(206)** | |

## Appropriation 1 (d) – Financial and Administrative Services

The Financial, Administrative and Information Technology Services Division provides comptrollership support and assurances that financial and information technology management practices, systems, delegated authorities and processes are functioning to support accountability and that expenditures are in compliance with policies, procedures, acts and legislation. The division also leads the Department Audit Committee and is responsible for following up on audit recommendations, reviewing and implementing department wide enterprise risk management to promote governance, awareness and accountability through staff training and risk assessment, and co-ordinates the government department reporting required under *The Financial Administration Act*.

The Financial and Administrative Services Knowledge Centre provides leadership in developing and administering financial and administrative support systems and co-ordinates the department's reporting required under *The Financial Administration Act*. The Knowledge Centre co-ordinates the preparation of the annual estimates of expenditure, revenue and capital investment together with managing the financial planning, control and reporting systems and is responsible for the development and implementation of corporate administrative policy in conjunction with central government requirements.

**Objective 1: Provide leadership, facilitation, co-ordination, direction and reporting to support the achievement of department priorities.**

Expected Results:

- Financial and administrative processes will be completed in an efficient, timely and accurate manner.

Actual Results:

- Liaised with Manitoba Infrastructure and Transportation staff with regard to departmental lease renewals, allocation of space and maintenance of up-to-date space allocation records.
- Provided co-ordination in the maintenance of inventories of departmental assets and updated the property insurance values for submission to Manitoba Finance.
- Participated on the department's drive restructure team and developed standard naming conventions for electronic files, a document-formatting guide and various templates.
- Staff administered a central registration process and database for staff training within the department.
- Staff continued to provide leadership to the administrative officers throughout the department and regularly communicated financial and administrative policies, practices and procedures.
- Staff co-ordinated the Student Temporary Employment Program which employed 36 full-time summer students and 10 part-time fall and winter students with a continued focus on diversity in the workplace.
- Staff co-ordinated the financial reporting process to ensure departmental obligations were met in an efficient, timely and accurate manner. Staff provided analytical support for ongoing reporting and in-year submissions related to program activities to inform the decision-making process throughout the department.

**Objective 2: Develop and administer policy, procedures and guidelines in accordance with central and departmental policies and legislation.**

Expected Results:

- The development of financial, administrative and information technology policies, guidelines and procedures and an intranet resource portal, which will build capacity, create efficiencies and support management decision making.
- Contracts and agreements will be administratively, financially and legally sound.
- Staff will provide expertise and advice regarding access to information and privacy legislation.
- Staff will be provided with a safe working environment, a venue for reporting on workplace, safety and health concerns and appropriate follow-up. Information on the proposed legislation to provide individuals with disabilities access to government resources and facilities will be distributed.

Actual Results:

- A policy regarding use of communications devices and requirements for approving hospitality/sponsorship grants was developed, approved, and distributed to staff and posted on the intranet. Staff continued to draft additional administrative policies and procedures as required.
- Staff continued to provide advice and assistance and interacted with Civil Legal Services to develop contracts, agreements and requests for proposals as required. Staff worked closely with the internal auditors on a contract management audit and developed contract management checklists and procedures.
- Staff provided expertise and advice with regard to access to information and privacy legislation. This responsibility was transferred to another branch in 2013/14, however staff continued to provide expertise as required on a back-up basis.
- Staff responded to workplace, safety and health questions and concerns, participated as the disability access co-ordinator for the department, and created a disabilities access-working group to ensure compliance with *The Accessibility for Manitobans Act*.
- The record officer followed central government records management polices as well as conducted and record records management training webinars.

**Objective 3: Ensure the effectiveness and validity of the departmental Comptrollership Plan, stimulate change to achieve strategic and financial objectives and mitigate risk to protect and preserve the assets of the organization.**

Expected Results:

- The Comptrollership Plan will be updated to ensure its accurateness, effectiveness and validity and the division will focus on raising awareness and determining the type of capacity building tools required to assist program staff in the practice of comptrollership.

Actual Results:

- Staff continued to work on updates to the various components of the departmental Comptrollership Plan and continue to raise staff awareness in appropriate practices.
- Staff liaised with Internal Audit and Consulting Services and the Office of the Auditor General (OAG) on departmental audits, reviews on audit recommendations and submits proposals for future audits.
- Staff co-ordinated departmental responses to OAG requests related to year-end financial reporting and verification of results.

**Objective 4: Provide financial, accounting and analytical services within government guidelines, procedures and policies for the department, Manitoba Agricultural Services Corporation and the Food Development Centre.**

Expected Results:

- Staff will co-ordinate and prepare revenue and expenditure estimates, cash flows, year-end and other financial reporting documents in a timely and accurate manner.
- Staff will ensure prompt and accurate payment of departmental accounts payable claims and will collect and deposit all revenues and receipts in a controlled and appropriate manner.
- General ledger accounts will be reconciled on a regular basis with follow-up being performed as required. All capital acquisitions will be recorded in a timely and accurate manner.
- Staff will adhere to and provide leadership about financial policies and guidelines consistent with public sector accounting guidelines.
- Staff will represent the department and participate in government-wide initiatives related to the implementation of the new Public Budget Formulation Module to be used in future budget preparations.

Actual Results:

- Staff co-ordinated the preparation of the annual estimates as well as other financial reporting consistent with provincial reporting guidelines in a timely manner. This includes regular cash flow and variance reporting as well as legislative, regulatory and year-end reporting.

- Staff reconciled departmental general ledger balances on a regular basis to ensure balances are reflected accurately and to ensure that payables and revenue are attributed to the correct fiscal year.
- Staff provided support to program areas by responding to several requests for clarification around provincial financial and administrative policies. In addition, staff provided analytical support and accounting advice to further departmental initiatives, ensure effective use of resources and enhance the decision-making process.
- Several staff represented the department and participated on various working groups that influenced the development and supported the implementation of a new budgeting tool. This includes playing key roles by contributing to decisions affecting the implementation, supporting data creation, participating in training and testing of the new budget environment.

## 1 (d) Financial and Administrative Services

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 1,017 | 14.00 | 1,134 | (117) | |
| (2) Other Expenditures | 248 | - | 334 | (86) | |
| **Total Sub-Appropriation** | **1,265** | **14.00** | **1,468** | **(203)** | |

## Appropriation 1 (e) – Information Technology Services

The Information Technology Services (ITS) Knowledge Centre collaborates with departmental Knowledge Centres and Business Transformation and Technology to plan, develop and maintain modern information technology (IT) solutions that meet client and operational needs. Solutions range from the desktop computing environment to a large, highly specialized laboratory and food traceability systems.

In addition to program and service specific technologies, ITS staff are responsible for leadership and alignment of technologies providing shared service platforms such as the website, the Spatial Data Infrastructure for Geographic Information Systems, collaborative work places and AccessManitoba.

ITS staff use business analysis, project management, change management and their IT knowledge to assess current technologies and processes and to document the desired future state. The analysis considers information security, process alignment, technology reuse and risk mitigation to allow the business owners to assess cost/benefit and make strategic decisions.

| **PRIORITY 1: FOOD SECURITY, PRODUCTION AND SAFETY** |
|---|
| **Objective B: Stabilize the production capacity and profitability of farm businesses to withstand weather and market-related risks.** |
| Expected Results:<br>• Development of a strategic technology roadmap that identifies tools and technologies that will help producers to better plan their business. |
| Actual Results:<br>• ITS staff continues to evaluate requests from MAFRD program areas as well as existing technologies that require renewal.<br>• The roadmap continues to evolve as program areas evaluate their service delivery models and priorities. |

| **Objective G: Increase the safety of food and food products from the farm to the back door of the retailer.** |
|---|
| Expected Results:<br>• Manitoba food traceability systems are integrated into the national landscape.<br>• The updated Vet Lab system is operational.<br>• The potential of mapping technologies is better understood and government systems and standards take into consideration MAFRD's needs.<br>• MAFRD continues to be a leader in the implementation of food traceability support. |
| Actual Results:<br>• Food traceability systems continue to be upgraded to meet or exceed national requirements.<br>• The new Vet Lab system has been implemented and staff have successfully transitioned operations, improving effectiveness and efficiencies.<br>• MAFRD has actively participated in the development of government standards and systems. Currently those standards are being integrated and implemented into MAFRD geographic information system activities.<br>• Inspections, software enhancements and updates have been completed. Implementation will be scheduled once training and documentation is complete. |
| Additional Results:<br>• MAFRD's website has been changed to a modern web publishing system that enables more efficient, frequent, and timely publishing of information, as well as the foundation for future interactive and social media enhancements. There are more than 7000 pages and associated files on the website. More than 8000 pages are viewed daily with an average visit of 17 minutes.<br>• Online services were expanded with the renewal of the Hay List and Burn Report, the addition of the Gaining Ground interactive assessment tool, and the ability to do surveys and consultations.<br>• Growing Forward 2 databases for online applications forms were developed with a partial automation of operations. This reduces the manual efforts required to process applications |

- Client service enhancement and operational efficiencies have been experienced through initiatives such as increasing mobile computing, enhancing video conferencing, standardizing and realigning information management and piloting collaboration tools.
- Ongoing support to more than 40 computer systems and 400 computers to ensure current software and appropriate user access is in place and the termination of services for exiting employees generated approximately 1500 requests per year in addition to major projects, enhancements
and routine maintenance.

## 1 (e) Information Technology Services

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 821 | 11.00 | 863 | (42) | |
| (2) Other Expenditures | 186 | - | 195 | (9) | |
| **Total Sub-Appropriation** | **1,007** | **11.00** | **1,058** | **(51)** | |

# Appropriation 2
# Policy and Agri-Innovation

The Policy and Agri-Innovation division co-ordinates long term policy, program and legislative development for the department. It conducts research and analysis, provides agriculture and food statistics, and industry intelligence. The division also provides support and funding for the administration of various boards and commissions, professional support and programming in the areas of diversification, research, innovation and adaptation, and liaison and co-ordination of research with provincial and federal agrifood research agencies.

## Appropriation 2 (a) – Policy Development and Analysis Knowledge Centre

The role of the Policy Development and Analysis Knowledge Centre (PDAKC) is to analyze and provide objective information on agriculture, food and rural development policy issues to government decision-makers, facilitate policy development and industry strategic planning and assist in communicating government policies to the public.

The Knowledge Centre co-ordinates MAFRD's economic information on agricultural and agrifood industry including profiles, production, marketing and outlooks and provides economic analysis for MAFRD policy and program development and industry strategic planning.

More specifically, PDAKC leads research, analysis, industry engagement and policy advice in the development and/or administration of policy in the following areas:

- Sustainable and profitable agriculture industry with a focus on competitiveness, business risk management, agri-environment, marketing, transportation and trade
- A business environment that encourages the development and expansion of the food processing industry in Manitoba and continues to ensure a safe, high quality food supply for Manitobans
- Rural development with agriculture, agrifood, agriproduct and agri-business sectors as key contributors to job creation and the economic wellbeing of Manitoba rural communities.

| **The following activities and expected results contribute to all the priorities of the department and the related objectives:** |
|---|
| Expected Results:<br>• Effective and efficient policies and programs to facilitate economic development in Manitoba. The federal/provincial policy framework will support innovation to drive a competitive and sustainable agriculture, agrifood and agriproduct industry.<br>• MAFRD will offer a set of policy instruments that provide an innovative business environment for the agriculture, agrifood and agriproduct industry to be market responsive, competitive and sustainable.<br>• Manitoba's policies will be identified in national agriculture programs and will be recognized in meeting the international trade obligations.<br>• PDAKC will administer Growing Forward 2 (GF2) effectively for clients and will enable MAFRD's subject experts to focus on strategic initiatives with industry stakeholders. |
| Actual Results:<br>• There was active participation and leadership in federal/provincial policy and program development at the ministerial and staff level, including working groups and ad hoc committees, ensuring that MAFRD's objectives were reflected in national agricultural policy.<br>• PDAKC consulted with Entrepreneurship, Training, and Trade and Canadian negotiators during bilateral trade negotiations with the European Union, Korea and Trans-Pacific Partnership countries so that they were informed of the provincial agriculture industry's priorities to help with the greatest possible economic growth outcome for Manitoba. The department strongly supported Canada's trade action against the United States country of origin labeling at the World Trade Organization and filed comments on the United States proposed rule to that effect. |

- PDAKC established the GF2 Secretariat for the central administration of funding and performance reporting associated with the initiative. In 2013/14, the Secretariat managed $18.3 million of federal program funds and received 574 applications and project proposals. MAFRD has developed and is delivering 14 programs associated with the GF2 initiative.

**PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY**

**Objective A: Increase productivity on the agricultural land base.**

Expected Results:

- Cost-of-production data that enables business decisions on innovative production practices.
- National transportation, grain marketing and regulatory agencies that respond to Manitoba's industry priorities.
- Promote multi-resource use of lands to the benefit of all users and increase opportunities for diversification and expansion.
- Producers and MAFRD will have access to the economic information necessary to make strategic business decisions.

Actual Results:

- Used cost-of-production data as a foundation for the agricultural economic analysis and the development of policies that affect innovative production practices, such as the review of hog stabilization and business risk management (BRM) programming.
- Communicated extensively with federal counterparts to address rail performance and provided thorough background information to a cabinet committee and a key stakeholder consultation group. A number of submissions to federal legislators were made to advocate for Manitoba farmers and grain shippers affected by the backlog of grain.
- Maintained market intelligence information with a focus on making sure producers and MAFRD captured accurate, relevant and valued information for use in strategic decision making.

**Objective B: Stabilize the production capacity and profitability of farm businesses to withstand weather and market-related risks.**

Expected Results:

- Sustainable BRM programs that effectively provide for Manitoba's agriculture industry risk management needs.
- In the event of an unforeseen disaster, effective recovery plans are developed sustaining farms through crisis.

Actual Results:

- PDAKC managed Manitoba's administrative requirements for the funding of AgriStability and AgriInvest. PDAKC represented Manitoba in the development of national programming, including the establishment of guidelines under the AgriRecovery and AgriRisk frameworks.
- Provided support to individual producers experiencing losses through the AgriStability, AgriInvest and AgriInsurance programs. In 2013/14, there were no unforeseen disasters that required a new program response under the AgriRecovery framework.

**Objective D: Increase the number of economically viable farms by 30% by 2020.**

Expected Results:

- Development plans (currently 88 planning areas) will enable informed decision making for establishment, expansion and diversification of livestock operations.
- Protection of farm viability by reducing potential land use conflicts and increasing business diversification opportunities and value-added activities.
- Continued education and support, at the municipal level, for the establishment and adherence to zoning bylaws that will enable practices such as irrigation, drainage, grazing and manure application as per provincial regulations.
- Increased market intelligence to support multiple purposes including improving price discovery, enable strategic decisions on accessing new markets and in assessing policy implications.

Actual Results:

- Provided policy direction relevant to livestock operations for 10 development plans covering 18 municipalities.
- Provided advice and recommendations on 60 development plan amendments in order to protect farm viability and reduce potential land use conflicts while increasing business diversification opportunities and value-added activities.
- Provided advice and recommendations on 91 zoning bylaws/amendments to make sure municipalities were not further restricting agricultural practices the province already regulated.
- Interpreted and summarized 79 municipal livestock operation policies for the Priorities and Planning Committee submission: Potential Pig Industry Development Areas/Land Use Limitations Map.
- Established a partnership with Keystone Agricultural Producers (KAP) whereby KAP reviews Environmental Farm Plans and issues Statement of Completions (SOCs). SOCs are a prerequisite for applying to environmental programs.
- PDAKC implemented a strategy to improve the quality, quantity and ease of access to market information with a focus on serving policy and program development needs. Market intelligence information is collected and analyzed in regards to crops, livestock, food and agricultural finances.

**Objective G: Increase the safety of food and food products from the farm to the back door of the retailer.**

Expected Results:

- Manitoba's meat hygiene pilot improves understanding of issues and impacts for provincial plants when meeting interprovincial meat trade requirements.
- The National Agriculture and Food Traceability System is implemented for Manitoba's industry to enhance emergency response and market competitiveness.
- Manitoba delivers effective meat inspection services in provincially registered abattoirs.
- Manitoba's food safety pilots serve as demonstration facilities for other processors in the development and implementation of the hazard analysis and critical control point system or the International Organization of Standardization food safety protocols.

Actual Results:

- Involved with the Federal/Provincial/Territorial Meat Hygiene Pilot Project working group to stay updated with progress of the pilots, the right federal regulatory changes and to understand issues and affects for provincial plants when meeting interprovincial meat trade requirements.
- PDAKC provided policy support for drafting abattoir inspection regulations under *The Food Safety and Related Amendments Act*.
- Manitoba's food safety pilot program was discontinued with the end of the Growing Forward agreement.

**PRIORITY 2 – ECONOMIC OPPORTUNITIES**

**Objective A: Increase the value of food processing in Manitoba to $5 billion by 2020.**

Expected Results:

- Enhanced understanding of the challenges and policy requirements for growing a competitive Manitoba food processing sector.
- Development plans that enable farm-based opportunities for direct marketing of products/experiences, along with provisions in zoning bylaws to enable these opportunities.
- Develop a food processing strategic plan that outlines priorities to meet the $5 billion by 2020 goal.

Actual Results:

- Provided direction and technical input to the Rural Development Institute (RDI) of Brandon University's 'Food and Beverage Processing Industry Growth Pathways to 2020' project. RDI has published the strategic plan, which describes the research methods and findings, and is concluded with growth pathways, by Manitoba's food and beverage processing industry to 2020.

- Monitored and followed provincial, national and international food safety rule changes that affect provincial food processing plants for trade and competitiveness.
- Maintained a general awareness on the scope and progress of multiple national food strategy development initiatives.
- Completed an environmental scan and detailed sector analysis of the food processing industry in Manitoba. Industry issues have been identified using different consultations (web survey, focus group study, GF2 consultation and other). Based on this information, a food processing strategic plan is currently in draft stage.
- Reviewed 10 development plans and six zoning bylaws to ensure policies enabling farm diversification opportunities were included.
- Monitored and advocated for the successful conclusion of trade agreements and disputes to improve market access for Manitoba food processors, including the Canada-European Union Trade Agreement, the Trans-Pacific Partnership, and United States country of origin labeling.

**Objective B: Position Manitoba as a Canadian leader in development of healthy foods (consumer-ready, functional foods, etc.)**

Expected Results:

- Effective communication of relevant information to aid trade policy deliberations resulting in improved trade relations through effective implementation of trade advocacy.
- Enhanced co-ordination between research groups and increased industry investment in research.

Actual Results:

- PDAKC helped Manitoba foster greater communication between Canada and the United States on emerging issues and opportunities, such as food safety modernization at ministerial events, and venues like the Legislative Agriculture Chairs Summit or the Tri-National Accord. The minister also participated in the meeting of Canadian agriculture ministers and the North American Meat Association members in November 2013 to discuss country of origin labeling.
- Co-ordinated, analyzed and prepared comments on food safety rule changes by the federal government (*Safe Food for Canadians Act*) and by the United States government as our major trading partner (*Food Safety Modernization Act*).

**Objective C: Increase the economic impact of secondary and tertiary businesses serving agricultural operations.**

Expected Results:

- Economic information to assist clients' business decision making and to assist staff in program decision making.

Actual Results:

- Resourced the market intelligence group to enable to provide analysis and strategic application of economic information.

**Objective D: Empower commodity association capacity to strategize/drive more value from commodities.**

Expected Results:

- A tool will be developed to help industry associations create effective strategic plans.

Actual Results:

- Helped 12 Manitoba organizations develop strategic initiatives and build organizational capacity by providing advisory and $613 thousand of financial support through the GF2 – Growing Actions and Growing Visions programs.

**Objective E: Support Rural Manitoba's capacity to drive economic development.**

Expected Results:

- Strategic plan for departmental policies that can effectively promote regional economic development.
- Improved understanding of performance and issues of relevance to rural economic development.

- Strengthen links between community visioning exercises, documents and the development plan process to better encompass the ideal of integrated community sustainability plans.

Actual Results:

- PDAKC worked with the RDI on the Rural Development Institute Agreement to increase knowledge of rural development. This agreement supports development of "welcoming community models" for newcomers, rural broadband strategy, social marketing, defining rural Manitoba labour areas, business succession pilot, strategies for rural innovation, community outreach projects, integrated community adjustment, trend and opportunity analysis for the Manitoba food and beverage processing industry and rural development policy forums.

**Objective F: Co-ordinate economic development support with Canada, municipalities and other players.**

Expected Results:

- Strengthen relationships through meaningful consultation with First Nations, Métis communities and other aboriginal communities regarding agricultural Crown lands (ACLs) to ensure that the province is not infringing upon or affecting the exercise of aboriginal or treaty rights.
- Assist in addressing issues and meeting objectives of satisfying land claims and issues relevant to current and future development opportunities.
- Efficient working relationships with other jurisdictions and producer groups.

Actual Results:

- PDAKC provided policy development support to ACL programs for issues such as Animal Unit Months, Unit Transfers and Lease Surrenders and Scoring.
- PDAKC helped resolve issues related to the First Nation Circulation policy as it relates to ACLs, resulting in the ACLs Growing Opportunity Team's ability to issue more than 100 forage leases (longer-term leases) which, before policy assistance, were being dealt with as annual casual leases.
- Provided policy analysis as part of Manitoba's Duty to Consult in terms of First Nation engagement with assistance underway with more than 10 ACL sales.

**PRIORITY 3 – AGRICULTURAL RESOURCE BASE**

**Objective C: Protect productive agricultural land base from non-agricultural uses.**

Expected Results:

- Newly adopted development plans (eight annually) consistent with Provincial Land Use Policies for Agriculture; agricultural areas will be designated on development plan maps; and policies will support non-agricultural development and subdivision in a manner that sustains prime and viable lower class agricultural lands.
- Provision of agricultural insight and recommendations to producers, municipal governments and provincial departments on land use planning, multi-use co-operation and co-management of Crown lands with special attention to planning and classification of Crown lands for multi-resource management.
- Represent MAFRD on Technical Advisory and Interdepartmental Planning Review Committees; review and provide comments on 700 land use and subdivision proposals under *The Planning Act*, and 60 land use/development proposals under *The Environment Act* and *The Oil and Gas Act*; review Integrated Watershed Management Plans to ensure consistency with development plans and Provincial Land Use Policy.

Actual Results:

- Staff compiled background material (including agricultural statistics, soil suitability and land cover) to inform municipal land use decisions and agricultural policy guidance and provided it for 10 development plans covering 18 municipalities.
- Staff attended 24 meetings with municipal councils, planning district boards and Manitoba Municipal Government as part of MAFRD's role on the Interdepartmental Planning Review Committee to discuss land use issues and plans.
- PDAKC represented MAFRD on four development plan Technical Advisory Committees (TAC) – the Subdivision Joint TAC, the Capital Region Interdepartmental Working Group (IWG), the

Churchill IWG and the Conservation Subdivision Design Manual IWG.

- Staff reviewed 637 land use and subdivision proposals under *The Planning Act*, 47 land use/development proposals under *The Environment Act* and *The Oil and Gas Act*; and two Integrated Watershed Management plans to ensure consistency with development plans and the Provincial Land Use policy. Of the 686 land use/development and subdivision proposals, PDAKC Land Use specialists commented on 251.
- PDAKC lead the MAFRD Review of Departmental Role in Private Agricultural Land Use management team with the Agri-Environment KC and GO Teams. The team reviewed and evaluated MAFRD's mandate and role in private agricultural land use and made recommendations to ensure current departmental needs can be met within resources. Implementation of the review recommendations was started.
- PDAKC documented and evaluated subdivisions reviewed by MAFRD staff to report on the total number of lots created and number of acres involved.

**Objective E: Develop an ecological goods and services framework to protect, enhance and restore natural capital in agroManitoba.**

Expected Results:

- Effective policies for Manitoba agriculture producers to sustain natural resources.

Actual Results:

- PDAKC facilitated the development of GF2 programs that advance environmental initiatives and that the Agri-Environment KC delivered.

**PRIORITY 4 – SCIENCE, INNOVATION AND ADAPTATION**

**Objective D: Increase the resilience of agricultural production in Manitoba to climate variability.**

Expected Results:

- Manitoba has an enhanced understanding of adaptive capacity for climate change.
- The provincial climate change adaptation strategy increases the resilience and sustainability of Manitoba's agriculture, agrifood and rural sectors.

Actual Results:

- PDAKC contributed policy support to MAFRD's climate change adaptation efforts.
- PDAKC contributed to federal/provincial adaptation activities with Natural Resources Canada.

## 2 (a) Policy Development and Analysis

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 2,323 | 31.00 | 2,661 | (338) | |
| (2) Other Expenditures | 368 | - | 469 | (101) | |
| **Total Sub-Appropriation** | **2,691** | **31.00** | **3,130** | **(439)** | |

## Appropriation 2 (b) – Agri-Innovation and Adaptation

The Agri-Innovation and Adaptation (AIA) Knowledge Centre is responsible for government policies and programs related to science and innovation in the agriculture sector. Activities cover the entire science and innovation continuum from basic research to applied pre-commercialization projects.

More specifically, the AIA Knowledge Centre:

- Helps expand the capacity for agrifood innovation in Manitoba and develops policies and programs that encourage the development and application of agricultural science to improve agricultural productivity and profitability.
- Performs applied research in co-operation with GO Teams, producers and businesses at applied research centres at Melita, Arborg, Roblin, and the Canada-Manitoba Crop Diversification Centres in Carberry, Portage la Prairie and Winkler. This work assesses new agricultural production techniques and supports the development of value-added products.
- Manages the department's investment in functional food development aimed at building the scientific and economic link between food and human health. Activities are focused at: Richardson Centre for Functional Foods and Nutraceuticals, Food Development Centre, Canadian Centre for Agri-Health Research in Medicine and in Manitoba's universities and colleges.
- Assists the development of a green economy through programs that encourage the creation of new products and processes based on primary products and by-products of agriculture and agrifood processing. Agri-energy programs assist the agrifood and rural sectors in capturing opportunities in renewable energy. The Knowledge Centre manages the Manitoba Biomass Energy Support program.

**PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY**

**Objective A: Increase productivity on the agricultural land base.**

Expected Results:

- A number of projects will be conducted to develop multi-functional crops with the net effect of increasing agricultural productivity.
- Results of trials will be delivered to producers through tours and data to accelerate adoption of new varieties and crop types to increase agricultural productivity.
- A number of technologies and products will be assessed or verified to increase agricultural productivity.
- Data from the University of Manitoba (U of M) study demonstrating the success of Residual Feed Intake as a tool to select for and breed more productive (feed efficient) cattle and the heritability of feed efficiency through generations will be given out.

Actual Results:

- Four regional producer-directed crop diversification centres were awarded $600,000 from Growing Forward 2 (GF2) programs to conduct local crop improvement trials.
- Forty crop variety projects evaluated 16 crop types and multiple cropping systems.
- Results from trials were delivered through MAFRD's web page, 250 annual reports, 400 direct emails, eight field days, two tradeshows and eight presentations.
- Forty projects evaluated new crops, new crop protection products, and new methods of crop production.
- Study results supported the potential benefit of the Residual Feed Intake system and provided the basis for more refined studies.

**Objective B: Stabilize the production capacity and profitability of farm businesses to withstand weather and market-related risks.**

Expected Results:

- A number of clients will be supported in the interest of promoting on-farm bio-energy and bioproduct production to mitigate economic risk from weather and markets.

- A number of varieties will be identified for their adaptation to non-traditional crop insurance areas resulting in an increase in profitability to producers in those areas and mitigate economic risk from weather and markets.
- A number of projects will be undertaken to advance the sustainability of agriculture production thus mitigating economic risk from weather and markets.

Actual Results:

- Collaboration with eight partner clients led to the evaluation and expansion of on-farm bio-energy and bioproduct production.
- Evaluated 14 crop types in 38 projects with respect to yield and adaptation to regional conditions. In addition, four agronomic trials and five new crop types were grown in non-traditional areas to advance the sustainability of agriculture. Herbicides were tested for suitability on short season crops such as buckwheat.
- Intercropping hairy vetch in winter wheat or sunflowers, and peas and canola showed how these combinations affected grain yield and soil nitrogen.

**Objective D: Increase the number of economically viable farms by 30 per cent by 2020.**

Expected Results:

- A number of commercial opportunities will be captured as they emerge from agrifood research and innovation programs in order to increase the number of economically viable farms.
- A number of technologies and products will be assessed to increase the number of economically viable farms.
- A number of higher value uses for commodities will be identified as they emerge from agrifood research and innovation programs in order to increase the number of economically viable farms.

Actual Results:

- Collaborated with 14 companies to evaluate varieties or opportunities to promote their industry.
- Evaluated four technology sectors and 37 products to increase economically viable farms.
- Forty projects, covering 16 crop types, examined higher value uses for commodities.

**Objective E: Reduce the economic and trade impact of animal and crop diseases through surveillance and diagnostic services.**

Expected Results:

- Results of field trials used to update disease ratings in Seed Manitoba, to prevent producers from growing a variety that will not be fully adapted to their region and to reduce the economic and trade impact of crop disease.

Actual Results:

- Data from more than 40 projects covering 16 crop types helped to assess disease risk.

**Objective G: Increase the safety of food and food products from the farm to the back door of the retailer.**

Expected Results:

- A number of projects will be funded in support of food safety.

Actual Results:

- Demonstrated two precision agriculture technologies in support of integrated pest management and biosecurity protocols for canola to prevent clubroot disease.

**PRIORITY 2 – ECONOMIC OPPORTUNITIES**

**Objective A: Increase the value of food processing in Manitoba to $5 billion by 2020.**

Expected Results:

- A number of projects will be funded to reveal the health properties of foods and increase the value of the food processing sector.
- A number of new healthy products will be developed or healthy ingredients incorporated into Manitoba's food processing industry thus increasing the value of that sector.
- A number of food companies will be provided access to the Manitoba Consumer Monitor Food Panel data to develop survey questions leading to increased value of the food processing sector.

Actual Results:

- Twenty-six applied research projects helped identify health properties of foods.
- A new project was undertaken to characterize the health benefits from Manitoba grown soy; the commercialization of 13 new health foods continued; maintained commercial relationships with Aramark (NuEats); Generation Green at The Forks in Winnipeg are stocking Canadian Climate Advantage Diet brand products.
- The Manitoba Consumer Monitor Food panel (MCMFP) worked with the Manitoba Grass Fed Beef Association, Food Safety Initiative, scientists and clients at the Food Development Centre to produce relevant questions on two surveys that will provide valuable information for their producer members, staff and clients.

**Objective B: Position Manitoba as a Canadian leader in development of healthy foods (consumer-ready, functional foods, etc.)**

Expected Results:

- A number of nutrigenomics projects will be conducted that will position Manitoba as a leader in healthier foods.
- A number of partnerships will be facilitated based on commercial opportunities emerging from agrifood research and innovation programs in order to position Manitoba as a leader in healthier foods.
- A number of projects will be developed that define the health attributes of Manitoba farm products and position Manitoba as a leader in healthier foods.

Actual Results:

- Eight nutrigenomics projects are continuing work to establish Manitoba as a leader in healthier food.
- Managed seven Manitoba partnerships and 21 international partnerships to develop commercial opportunities.
- Facilitated two new partnerships between agrifood research and innovation programs through the Agri Innovation Forum.
- Twenty-six projects have been started and/or developed that define the health attributes of Manitoba food ingredients.

**Objective D: Empower commodity association capacity to strategize/drive more value from commodities.**

Expected Results:

- A number of projects will be undertaken to process commodities through biorefineries and to assist commodity associations in driving increased value from commodities.
- A number of improved crop varieties will be developed under the leadership of commodity organizations to drive more value from commodities.
- A number of commodity associations will be provided access to the MCMFP data or be involved in developing survey questions to strategize and drive value for their commodity.

Actual Results:

- Seventeen projects helped commodity associations derive increased value from their commodities.
- Twenty-two projects displayed improved crop varieties developed under the leadership of commodity organizations.
- MCMFP results were made available via their website http://www.mcmfoodpanel.ca/

**Objective E: Support Rural Manitoba's capacity to drive economic development.**

Expected Results:

- A number of rural businesses will be supported under provincial programs that enhance rural Manitoba's capacity to drive economic development.
- Through events, Manitoba Food Processors Association or Direct Farm Marketing Association will give a number of presentations to economic development specialists and food companies. Support will increase rural Manitoba's capacity to drive economic development.

Actual Results:

- Supported four biomass energy processors under the Manitoba Biomass Energy Support program.
- Gave 11 presentations to various economic development specialists. Made a presentation on "Foods for Health – What's in it For Me?" at the Direct Farm Marketing Conference in Steinbach, which was based on the two Canadian Climate Advantage Diet research documents that were prepared this year.

**Objective F: Co-ordinate economic development support with Canada, municipalities and other players.**

Expected Results:

- A number of working groups, events and outreach activities will be conducted and business follow ups will be provided that achieve co-ordinated economic development.
- A number of business relations will be forged through co-ordinated economic development activities.

Actual Results:

- Planning continued with the Rural Development Institute to establish a method of measuring the barriers to innovation in rural Manitoba.
- GF2 - Growing Innovation program funded crop and livestock development projects to meet federal, provincial and local objectives for the economy.

**Objective G: Increase bioproduct industry to $2 billion by 2020.**

Expected Results:

- Provincial and federal programs will fund a number of bioproduct projects toward building a $2 billion bioproducts industry.
- A number of programs and policies will be developed to support the bioproducts industry in achieving a value of $2 billion by 2020.
- A number of businesses will be started, retained or expanded toward meeting the goal of $2 billion by 2020.

Actual Results:

- Not-for-profit research and development organizations were awarded $2,754,700 from GF2 Innovation programs to advance bioproduct development and commercialization. Funds supported eight projects in biocomposites and life sciences.
- Funded 40 bioproduct projects in 2013/14 and conducted fibre production research to stimulate growth in biocomposites use across various industries.
- Developed two programs (Biomass Energy Support Phase 3 and BioNET Manitoba) in 2013/14.
- These projects helped six new bioproduct businesses (four biomass processors and two fibre processors) to start and four businesses to retain or expand in 2013/14.

**Objective B: Decrease phosphorus loss from agricultural operations.**

Expected Results:

- A number of applied research activities will be conducted in support of nutrient beneficial management practices (BMPs) that decrease phosphorus loss.
- Manitoba Livestock Manure Management Initiative (MLMMI) will undertake a number of research projects to decrease phosphorus loss to the environment.

Actual Results:

- Conducted two applied research projects in support of nutrient BMPs and decreasing phosphorous loss.
- MLMMI completed a survey of Manitoba swine nutritionists concerning their feed formulation practices. MLMMI initiated two manure transportation projects, one focused on road transportation and the other investigating the feasibility of using pipelines to transport manure. A multi-year collaborative project across several locations commenced demonstrating phosphorous placement and its effects on crop production.

| **Objective D: Decrease net greenhouse gas emissions from agriculture.** |
|---|
| Expected Results:<br>• Data available from the U of M study demonstrating the correlation between Residual Feed Intake and enteric methane production leading to reduced greenhouse gas emissions from agriculture. |
| Actual Results:<br>• Work on enteric methane production continues along with several intercropping trials done with the goal of reducing the need for nitrogen fertilizers. |

| **PRIORITY 4 – SCIENCE, INNOVATION AND ADAPTATION** |
|---|
| **Objective A: Establish a Cereal Grain Centre of Excellence.** |
| Expected Results:<br>• Establishment of phase one and the resulting business arrangements and commercialization activities that would result in a recognized Cereal Grain Centre of Excellence. |
| Actual Results:<br>• The initiative was renamed Grain Innovation Hub and moved ahead with the development of corn and commercialization of functional food and feed products as the first projects. Industry is being consulted on priorities to be undertaken in 2014/15. |

| **Objective B: Develop the capacity of industry associations to increase the value, profitability and sustainability of producing and processing various commodities.** |
|---|
| Expected Results:<br>• A number of techniques, technologies and products will be assessed and verified in partnership with smaller industry associations to increase their capacity to enhance the value of their commodities.<br>• A number of associations will become partners in generating knowledge that contributes to their capacity to enhance the value of their commodities.<br>• A number of marketing messages will be promoted to industry associations and media to contribute to the capacity of industry associations to enhance the value of their commodities. |
| Actual Results:<br>• Created or maintained 18 partnerships to evaluate 20 crop types to enhance smaller commodities.<br>• The department partnered with the pork and horticulture industries in innovation-based industry development initiatives.<br>• Five field days were held to allow industry to promote marketing messages and enhance the value of their commodities; four provincial Centres published annual reports outlining activities and results; and media coverage included several appearances in magazines, radio and newspaper articles.<br>• GF2 innovation programs awarded $3.268 million to industry to enhance its profitability and sustainability through innovation. The funds supported seven projects in the crops and livestock sectors. |

| **Objective C: Accelerate commercialization of research supported in Manitoba.** |
|---|
| Expected Results:<br>• A number of projects will be conducted in co-operation with companies that will accelerate commercialization of research in Manitoba.<br>• A number of new businesses or new products, processes or practices will be advanced by innovation programming that will accelerate commercialization of research in Manitoba.<br>• A number of healthy foods will be developed from science-based healthy ingredients contributing to accelerated commercialization.<br>• Research investment, collaboration, resource sharing and extension will be increased leading to increased commercial adoption of research in Manitoba. |

Actual Results:

- Hosted the Agri Innovation Forum networking event, bringing investors and stakeholders together to accelerate commercialization of research.
- Innovation programming advanced four new products and processes.
- Work continues to commercialize 13 new healthy foods and food products.
- Formed a partnership with the Manitoba Corn Growers to purchase new equipment to research and evaluate corn production in Manitoba.

**Objective D: Increase the resilience of agricultural production in Manitoba to climate variability.**

Expected Results:

- A number of new crop varieties adapted to Manitoba's variable climate will be generated and will increase agriculture's resilience to climate variability.
- A number of projects will be undertaken utilizing new genetic molecular markers to accelerate development of new crop varieties with new pest resistance or novel genes and that will ultimately increase agriculture's resilience to climate variability.
- A number of projects will be pursued to improve soil health and increase agriculture's resiliency to climate variability.

Actual Results:

- Forty projects evaluated 16 crop types for maturity and resilience to climate variability.
- Twenty specific projects evaluated drought resistance, early maturing, and excess water efficiency.
- Five projects explained the connection between soil health and agriculture's resiliency to climate variability.

## 2 (b) Agri-innovation and Adaptation

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 1,153 | 16.00 | 1,268 | (115) | |
| (2) Other Expenditures | 231 | - | 330 | (99) | |
| (3) Grant Assistance | 2,468 | - | 4,115 | (1,647) | 1 |
| **Total Sub-Appropriation** | **3,852** | **16.00** | **5,713** | **(1,861)** | |

1. *The decrease is mainly the result of a delay in the implementation of strategic initiatives programming. This was partially offset by grants under the Manitoba Biomass Energy Support Program, which provides capital incentives of up to $50 to clients who convert from coal to biomass use.*

## Appropriation 2 (c) – Boards, Commissions and Legislation

The Boards, Commissions and Legislation (BCL) Knowledge Centre provides administrative, technical and regulatory support to boards, councils and commissions responsible for ten acts of the legislature. These agencies are responsible for the production and marketing of certain commodities, mediation services, nuisance complaints arising from agricultural operations, applications to own farmland by non-residents, funding mechanisms to support agricultural research and promotion activities, regulating horse racing and supporting crop insurance and animal care appeals.

The BCL Knowledge Centre also co-ordinates all the legislative and regulatory matters administered by the department to ensure that acts, regulations and orders are consistent with the objectives of the Manitoba government and the department's policy direction.

**PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY**

**Objective B: Stabilize the production capacity and profitability of farm businesses to withstand weather and market-related risks.**

Expected Results:

- The boards and commissions listed below will operate within their respective legislative authorities and mandate for managing the sector. The Manitoba Farm Products Marketing Council will render decisions to uphold or dismiss appeals by individuals affected by a decision, regulation or order of any of the following boards or commissions:
  - Keystone Potato Producers Association
  - Dairy Farmers of Manitoba
  - Manitoba Cattle Enhancement Council
  - Manitoba Chicken Producers
  - Manitoba Egg Farmers
  - Manitoba Pork Council
  - Manitoba Beekeepers' Association
  - Manitoba Turkey Producers
  - Peak of the Market
- Advice will be provided to the minister on issues affecting the various provincial marketing plans, regulations, orders and federal-provincial agreements.
- The Farm Machinery Board will successfully resolve cases in which farmers risk repossession of their farm equipment or machinery.
- The Farm Machinery Board will license and monitor farm equipment dealers and vendors.
- Farmers and their creditors will participate in the farm mediation service.
- The MASC Appeal Tribunal will hear and satisfactorily resolve appeals under *The MASC Act.*
- The Milk Prices Review Commission will review and implement a fair producer price for fluid milk that compensates dairy farmers adequately for their cost-of-production.

Actual Results:

Orderly Marketing

- More than 1,900 farm operations participated in the orderly marketing/supply management systems regulated under *The Farm Products Marketing Act.*
- Registered farmers, within orderly marketing systems, contributed administration levies to their producer board from 1.3 cents to 53 cents per unit to sustain their system as per authority under *The Farm Products Marketing Act.*
- Registered five regulations authorized by *The Farm Products Marketing Act,* improving the orderly marketing regulatory framework of three agricultural commodity boards.
- The Manitoba Farm Products Marketing Council heard two appeals related to the supply management sector during the period; one was resolved and the other was held in abeyance, pending further research by the council.
- The minister was advised on issues related to the chicken industry – differential growth, national allocation and expansion of quota production; on issues related to the dairy industry – negotiations for harmonization of the milk supply system across all provinces in Canada; and processor pricing and allocation within the industrial egg sector.

Regulatory

- The department administers 28 statutes, and 142 regulations and orders. BCL co-ordinated 20 legislative and regulatory initiatives for the department.
- The Manitoba Farm Products Marketing Council supervised the nine boards authorized under *The Farm Products Marketing Act* and have ensured transparent, fair and procedurally correct decision making by elected members of the boards. In addition, Manitoba Council hears appeals, as required, on decisions made by a board.
- BCL supported the development of amendments to *The Animal Disease Act (*Bill 71). The proposed Bill establishes clear authority for MAFRD to act in a proactive manner to deal with activities, practices or behaviors that may create risk to the health and safety of animals and the public, or that may promote the outbreak or spread of disease.
- Made amendments to the Veterinary Services Districts Establishment Regulation, which lists the various veterinary services districts that have been established under *The Veterinary Services Act* and the municipalities.
- Manitoba Oat Growers Association designation regulation was amended to remove the $250 cap on producer check-offs on oat sales in Manitoba.
- The department has been working on the development of extensive food safety regulations (and amendments to the existing regulations) to support the pending proclamation of *The Food Safety Act* and abattoir regulations to support the transfer of provincial meat inspection by Canadian Food Inspection Agency.
- Registered the Manitoba Wheat and Barley Growers Association designation regulation on December 16, 2013, to collect check-off revenue on spring wheat and barley sales in Manitoba.
- Minor amendments to *The Women's Institutes Act; The Noxious Weeds Act; The Agricultural Societies Act; The Animal Diseases Act; The Corporations Act; and The Livestock and Livestock Products Act* were included in *The Statute Correction and Minor Amendments Act.*
- Repealed *The Coarse Grain Marketing Control Act* and *The Seed and Fodder Relief Act* under *The Statue Corrections and Minor Amendments Act*.
- Amendments to the Offense Notice Regulation under *The Summary Convictions Act* are nearly complete. The purpose is to establish and amend set fines for offences under *The Animal Care Act* and The Animal Care Regulation.
- Under Part 1 of *The Government Efficiency Act* eight agriculture boards or agencies were amalgamated and reduced to three with corresponding board membership reduced from 39 to 23. BCL administered and led this extensive legislative exercise.
- The Manitoba Farm Industry Board received 33 applications for leave to repossess farm equipment under *The Farm Machinery and Equipment Act.* The board resolved 97 per cent of the applications without repossession taking place.
- The board registered 114 licensed machinery and equipment dealers and 62 licensed machinery and equipment vendors (two-year licenses).
- The Manitoba Farm Industry Board receives two types of applications under *The Family Farm Protection Act:* voluntary requests for mediation and applications by creditors for leave to foreclose on farmland. The board received 48 applications in 2013/14 and achieved a settlement in 42 per cent of the cases in which its mediation services were used.
- The Appeal Tribunal heard 14 appeals related to crop insurance claims and one related to the 2010 Canada-Manitoba Feed and Transportation Assistance program. The Milk Prices Review Commission reviewed the fluid milk pricing formula and determined that in February 2014, the producer price for fluid milk would increase by $1.35 per hectolitre in March 2014 and add-on program costs would be consistent with other provinces in the Western Milk Pool.

**Objective C: Provide Manitoba's producers and rural businesses reasonable access to credit and assist young farmers in the inter-generational transfer of assets.**

Expected Results:

- Each of the commodity boards listed below will demonstrate active new entrant policies and programs that facilitate new entrants to the supply managed and orderly marketing sectors:
    - Dairy Farmers of Manitoba

- Manitoba Chicken Producers
- Manitoba Egg Farmers
- Manitoba Turkey Producers
- Peak of the Market

Actual Results:

- The chicken, egg and turkey sectors are required to set aside fifty per cent of new quota growth into a new entrant program.
- Manitoba Chicken Producers are currently revising their new entrant program with further developments expected in 2014/15.
- Dairy Farmers of Manitoba works with a stakeholder committee to regularly review and improve its new entrant program.

**Objective D: Increase the number of economically viable farms by 30% by 2020.**

Expected Results:

- Farmland ownership legislation will help to protect farmland from market speculation by foreign investors by considering applications for exemptions from non-Canadian and public organizations who wish to acquire an interest in farmland greater than 40 acres.

Actual Results:

- The Manitoba Farm Industry Board received 33 applications for exemption under *The Farm Lands Ownership Act*. Twenty-two applications were approved, one was denied, three were withdrawn and seven were pending review at the end of 2013/14. Of the 33 applications, 14 were from conservation groups.

**Objective F: Protect human and animal health through development and enforcement of regulations.**

Expected Results:

- The Animal Care Appeal Board will hear and resolve appeals in a manner consistent with the Act.

Actual Results:

- The Animal Care Appeal Board heard eight appeals related to humane treatment of animals and rendered decisions.

**Objective G: Increase the safety of food and food products from the farm to the back door of the retailer.**

Expected Results:

- All regulated agricultural commodities will achieve 95 per cent or better producer compliance in the on-farm food safety programs managed by their producer board, thereby contributing to the safety of Manitoba's food supply.
- Manitoba Egg Farmers will implement a *salmonella* enteritidis insurance program for pullet and egg layer operations.

Actual Results:

- All of Manitoba's broiler chicken producers are certified in The Chicken Farmers of Canada's Safe, Safer, Safest On-Farm Food Safety Assurance Program (OFFSAP).
- All of Manitoba's egg layer and pullet producers achieved the requirements in the Egg Farmers of Canada, Start Clean-Stay Clean OFFSAP program.
- All of Manitoba's turkey farmers are certified in the Turkey Farmers of Canada's OFFSAP program.
- All of Manitoba's dairy farmers are certified in the Dairy Farmers of Canada, Canadian Quality Milk OFFSAP program.

| PRIORITY 2 – ECONOMIC OPPORTUNITIES |
|---|
| **Objective A: Increase the value of food processing in Manitoba to $5 billion by 2020.** |
| Expected Results:<br>• Organic milk and specialized egg products will continue to compete successfully at the retail level.<br>• Value-added products from Manitoba poultry sector will be established.<br>• At least one federally inspected beef slaughter and/or processing facility will actively contribute to enhanced beef processing in 2013.<br>• Activities that support provincial beef processing will continue to be supported. |
| Actual Results:<br>• Organic milk produced in Manitoba is processed and available to Manitoba consumers.<br>• Manitoba's egg and pullet farmers, as well as egg graders, produced and marketed organic, free range, free run and omega-3 eggs to Manitoba consumers.<br>• Manitoba's companies processed the largest volume of eggs in Canada for the processed egg product market.<br>• Manitoba Cattle Enhancement Council (MCEC) with authority under *The Farm Products Marketing Act* collected $228.6 thousand based on a $2.00 per head levy on Manitoba cattle sales. |

| **Objective D: Empower commodity association capacity to strategize/drive more value from commodities.** |
|---|
| Expected Results:<br>• Keystone Agricultural Producers (KAP) will be certified as the general farm policy organization under the Act and will be monitored by the agency.<br>• Supply managed producer boards will demonstrate collaborative decision making and programming between producers and processors.<br>• Ten per cent of board members participating at the provincial board, commission, or council level will acquire meeting management skills that contribute to the leadership of provincial agencies. |
| Actual Results:<br>• KAP applied for and was recertified as Manitoba's general farm policy organization for a two-year period.<br>• The four supply management boards worked co-operatively with downstream processor stakeholders in promoting their commodities.<br>• Thirty-three per cent of appointed board members attended six different training sessions.<br>• Fifty-nine Manitoba citizens contributed to the work of the seven boards served by the Knowledge Centre. |

| **Objective C: Protect productive agricultural land base from non-agricultural uses.** |
|---|
| Expected Results:<br>• Farm practices protection legislation will assist in the resolution of nuisance complaints between agricultural operations and neighbours. |
| Actual Results:<br>• The Manitoba Farm Industry Board received and investigated five complaints registered in 2013/14, four of which involved two operations with orders in place to modify practices.<br>• The board determined that the two operations did not comply with the order in one area and the operations put forward a plan to fix the deficiency. While inquiring into the fifth complaint, the agricultural operation asked the board to modify the outstanding order, which will be reviewed in 2014/15. |

| PRIORITY 4 – SCIENCE, INNOVATION AND ADAPTATION |
|---|
| **Objective C: Accelerate commercialization of research supported in Manitoba.** |
| Expected Results:<br>• A designated organization contributes funds to producer-financed research which can be utilized to enhance profitability of the specific crop or livestock sector they represent:<br>Manitoba Buckwheat Growers Assoc.<br>Manitoba Canola Growers Assoc.<br>Manitoba Corn Growers Assoc.<br>Manitoba Forage Seed Assoc.<br>Manitoba Oat Growers Assoc.<br>Manitoba Pulse Growers Assoc.<br>Manitoba Sheep Assoc.<br>National Sunflower Assoc. of Canada<br>Winter Cereals Manitoba Inc.<br>Manitoba Flax Growers Assoc.<br>Manitoba Wheat and Barley Growers Assoc. |
| Actual Results:<br>• Designated organizations contributed more than $1.7 million of producer funds to more than 90 research projects. Several of these projects received matching funds from various sources from provincial and federal governments, national commodity organizations and other stakeholders. |

## 2 (c) Boards, Commissions and Legislation

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 554 | 7.00 | 586 | (32) | |
| (2) Other Expenditures | 308 | - | 229 | 79 | |
| **Total Sub-Appropriation** | **862** | **7.00** | **815** | **47** | |

## Appropriation 2 (d) – Agricultural Sustainability Initiative

The Agricultural Sustainability Initiative (ASI), a provincially funded program, provides funding solely to the four diversification centres to conduct demonstrations or technology transfer projects on sustainable agriculture practices with a focus on crop diversification. ASI also supports activities that are built on partnerships, particularly among producers, government and industry.

ASI also provides additional funding under the new Special Projects Fund for the diversification centres to conduct projects, which fall outside their regular activities, while still following guidelines set out in the diversification centre terms and conditions.

ASI is part of the provinces 40 per cent matching requirements under the Growing Forward 2 (GF2) agreement and provides half the government funding received by the four diversification centres to conduct field trials and extension events.

| **PRIORITY 4 – SCIENCE, INNOVATION AND ADAPTATION** |
|---|
| **Objective B: Develop the capacity of industry associations to increase the value, profitability and sustainability of producing and processing various commodities.** |
| Expected Results:<br>• Change of practices of Manitoba's farmers regarding environmental issues and concerns that will result in accelerated adoption of sustainable agriculture practices and reduced impact by agriculture on the environment. |
| Actual Results:<br>• Across the four diversification centres, 135 trials and demonstration projects were conducted on crop adaptation, variety adaptation, fertility, and other agronomic issues on various crops including cereals, pulses, hemp, forages, oilseeds, special crops, vegetables, fruits, and potatoes.<br>• Twenty extension events took place at the centres through field days, workshops and tours. As well, diversification specialists presented at more than 10 local and provincial events.<br>• An additional $45 thousand in funding was provided to the diversification centres under the GF2 Special Projects Fund for specialized equipment. A high tunnel, horticulture production unit was purchased and will be evaluated for suitability for horticulture crops. Small plot equipment and a drone were also purchased to improve crop pest monitoring. |

### 2 (d) Agricultural Sustainability Initiative

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Grant Assistance | 344 | - | 400 | (56) | |
| **Total Sub-Appropriation** | **344** | **-** | **400** | **(56)** | |

# Appropriation 3
# Risk Management, Credit and Income Support Programs

**Manitoba Agricultural Services Corporation:** provides a variety of programs, including direct loans and loan guarantees, agricultural insurance, wildlife damage compensation and emergency assistance to which contribute to the financial stability of Manitoba's agricultural producers and rural economy.

**Agricultural Income Stabilization:** provides assistance under stabilization programs, which are intended to help farmers manage their operations when they incur a decline in income.

**Farmland School Tax Rebate:** provides rebates of school taxes charged on farmland.

## Appropriation 3 (a) – Manitoba Agricultural Services Corporation

The Manitoba Agricultural Services Corporation (MASC) provides a variety of programs including direct loans and loan guarantees, crop production insurance, wildlife damage compensation and special assistance programming. These programs assist farmers in meeting their financing needs and help mitigate the impacts that crop production losses have on their income, and assist non-agricultural rural businesses in securing loans and operating credit.

| **PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY** |
|---|
| **Objective B: Stabilize the production capacity and profitability of farm businesses to withstand weather and market-related risks.** |
| Expected Results:<br>• Insure $2.6 billion of AgriInsurance liability, covering 9.6 million acres and 8,800 farming operations.<br>• Provide $810 million of hail insurance liability, covering 4.5 million acres and 4,500 farming operations.<br>• Pay $3 million in wildlife damage compensation.<br>• Provide AgriInsurance premium rebates of $15 thousand under the Young Farmer Crop Plan Credit Program. |
| Actual Results:<br>• AgriInsurance liability totaled $2.7 billion, covering 9.8 million acres, with 8,723 insured farming operations.<br>• Hail Insurance liability totaled $915 million on 4.9 million acres and 4,568 insured farming operations.<br>• Wildlife Damage Compensation paid out compensation of $3.2 million.<br>• Eighty-four young farmers qualified for Young Farmer Crop Plan premium credits totaling $25 thousand. |

| **Objective C: Provide Manitoba's producers and rural businesses reasonable access to credit and assist young farmers in the inter-generational transfer of assets.** |
|---|
| Expected Results:<br>• Administer a total direct loan and loan guarantee portfolio that facilitates $650 million of credit to 3,500 Manitoba agricultural producers and rural businesses.<br>• Provide $114.1 million in new loans through MASC's direct loan programs.<br>• Facilitate $88.2 million in new loans to agricultural enterprises through the private sector, by providing $22.1 million in loan guarantees.<br>• Provide interest reductions of $1.7 million to young farmers through the Young Farmer Rebate program.<br>• Facilitate $5.4 million in new term loans and $1.7 million in new operating loans for rural economic development, by providing loan guarantees totaling $4.7 million. |

Actual Results:

- MASC's portfolio of direct loans and loans that were facilitated by MASC's guarantees totaled $720 million, covering 2,900 Manitoba farmers.
- MASC provided $130.4 million in new direct loans.
- $81.9 million in new private sector agricultural lending was facilitated by MASC loan guarantees totaling $20.5 million.
- The Young Farmer Rebate program provided $1.7 million of interest benefits to young farmers.
- Through the Rural Entrepreneur Assistance program, MASC facilitated $3.4 million in new private sector term loans by providing $2.7 million in loan guarantees. MASC facilitated a further $600 thousand in private sector operating credit by providing $150 thousand in loan guarantees through the Operating Credit Guarantee for Rural Small Business program.

## 3 (a) Manitoba Agricultural Services Corporation

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Administration and Lending Costs | 711 | - | 8,472 | (7,761) | 1 |
| (2) AgriInsurance | 68,936 | - | 67,163 | 1,773 | |
| (3) Wildlife Damage Compensation | 1,692 | - | 1,618 | 74 | |
| **Total Sub-Appropriation** | **71,339** | - | **77,253** | **(5,914)** | |

1. *The variance is mainly due to a decrease in the provisions required for loans and loan guarantees due to improvement in the livestock sector, increased allocations of internal resources to other programs, reduced adjusting costs due to lower than anticipated AgriInsurance claim activity and an increase in net interest income primarily caused by the increased size of the loan portfolio.*

## Appropriation 3 (b) – Agricultural Income Stabilization

The purposes of Business Risk Management (BRM) programs are to:

- Develop the appropriate government response to address situations affecting the profitability and sustainability of farms, by working with federal and provincial partners in the development of effective Business Risk Management programs
- Provide producers with the tools required to manage financial difficulty arising from risks related to market disruption, natural disasters and production problems.

**Priority 1: FOOD SECURITY, PRODUCTION AND SAFETY**

Expected Results:

- Farms will have improved income stability and be able to manage financial disasters. Through market returns and Business Risk Management (BRM) programs, producers will attain at least 70 per cent of the previous five-year net market income including program payments.
- Producers will recognize BRM programs as an effective risk management tool for their farms. Most farms in Manitoba and the farms representing at least 70 per cent of all farm market revenues will participate in AgriStability and AgriInvest.
- Viable insurance products and policies for the livestock sector will be identified and developed for implementation.
- AgriInvest will recognize and encourage participation in areas of strategic importance to the industry by linking program eligibility to the priority area where appropriate. Linkages of Premises Identification will be developed.

Actual Results:

- Total net market income in 2013/14 was well above the five-year average, due to good crop production in 2013 and comparatively strong commodity prices. Despite lower program payments, total net cash income (NCI) plus the value of inventory change was 87 per cent higher than the previous five-year average.
- The number of participants declined in both AgriStability and AgriInvest in all provinces, including Manitoba. AgriStability enrolment was down 7.8 per cent and AgriInvest applications were down approximately 3.3 per cent.
- In 2011, (the last program year for which market sales data is available), participation in AgriInvest represented 96.8 per cent of market sales, and producers deposited 92.7 per cent of the maximum allowed. Participation in AgriStability (defined as those who submit their full financial results at the end of the year) represented 74.1 per cent of market sales.
- Manitoba worked with British Columbia, Alberta and Saskatchewan to launch the Western Livestock Price Insurance Program in March 2014.
- Manitoba continues to work with the federal government to develop links between AgriInvest and Premises Identification.

| *Program Year* | *Net Cash Income before BRM ($ millions)* | *Inventory Change ($ millions)* | *Net BRM Payments Triggered* ($ millions)* | *Total ($ millions)* |
|---|---|---|---|---|
| **2008** | 621.2 | 521.5 | 171.4 | 1,314.0 |
| **2009** | 712.4 | 33.7 | 256.1 | 1,002.3 |
| **2010** | 755.6 | - 562.6 | 307.4 | 500.3 |
| **2011** | 638.6 | - 492.6 | 624.1 | 770.1 |
| **2012** | 529.9 | 691.9 | 184.1 | 1,405.9 |
| **Average** | 651.5 | 38.4 | 308.6 | 998.5 |
| **2013 (forecast)** | 1,044.5 | 783.3 | 35.7** | 1,863.5 |
| | | | | **% of average: 187%** |

* Includes AgriStability, AgriInvest, AgriInsurance net of producer premiums, AgriRecovery and preceding programs (based on the year triggered, not the year received)
** Consists of AgriInvest ($36.5 million) and AgriStability ($35.7 million), less net AgriInsurance premiums of $36.5 million ($72.8 million indemnities less $109.3 million producer premiums)
Source: Statistics Canada, Agriculture and Agri-Food Canada (AAFC)

| *Program* | *Allowable Sales** (all tax filers)* | *Allowable Sales** (participants)* | *% of Allowable Sales Participating* |
|---|---|---|---|
| | ($ millions) | | |
| **2011 AgriStability** | 5,040.0 | 3,735.9 | 74.1% |
| **2011 AgriInvest*** | 4,766.5 | 4,615.7 | 96.8% |

* Excludes dairy, poultry, and eggs as these are not allowable sales under AgriInvest
** Excludes participants and tax filers with gross revenue under $10,000
Source: Agriculture and Agri-Food Canada (AAFC) , Statistics Canada (Canadian Farm Financial Database)

| Program Year | AgriStability Participants (Fees Paid) | AgriInvest Participants (Eligible Applications) |
|---|---|---|
| **2010** | 9,632 | 14,220 |
| **2011** | 9,177 | 13,890 |
| **2012** | 8,588 | 13,484 |
| **2013 (prelim.)** | 8,155 | n/a |

## 3 (b) Agricultural Income Stabilization

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Grants/Transfer Payments | 44,233 | - | 28,771 | 15,462 | 1 |
| **Total Sub-Appropriation** | **44,233** | - | **28,771** | **15,462** | |

1. *The over-expenditure is mainly due to higher than anticipated costs associated with 2013 program payments and the prior years' adjustments based on federal forecasts and actual AgriStability and AgriInvest program activity.*

## Appropriation 3 (c) – Farmland School Tax Rebate

To generate greater net farm income and foster increased equity among rural landowners in support of educational costs.

| PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY |
|---|
| **Objective D: Increase the number of economically viable farms by 30% by 2020.** |
| Expected Results:<br>• Increase in net farm income by $35 million, with additional spin-off benefits to rural communities.<br>• More equitable distribution of local education costs. |
| Actual Results:<br>• The total 2013 farmland school tax rebates are estimated to be $31.7 million, thereby increasing net farm income.<br>• Rebating 80 per cent of school taxes on farmland represents a significant move towards a more equitable distribution of school taxes paid by property owners. |

### 3 (c) Farmland School Tax Rebate

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Grants/Transfer Payments | 32,522 | - | 34,272 | (1,750) | |
| **Total Sub-Appropriation** | **32,522** | - | **34,272** | **(1,750)** | |

## Appropriation 3 (d) – Less: Recoverable from Rural Economic Development Initiatives (REDI)

This sub-appropriation provides for the recovery of expenditures from the Manitoba Agricultural Services Corporation for the Rural Entrepreneur Assistance Program and the Community Works Loan Program.

| PRIORITY 2 – ECONOMIC OPPORTUNITIES |
|---|
| **Objective C: Increase the economic impact of secondary and tertiary businesses serving agricultural operations.** |
| Expected Results:<br>• Provision of the necessary funding for the delivery of the Rural Entrepreneur Assistance Program (REAP) to support the development and growth of rural and northern Manitoba businesses. |
| Actual Results:<br>• Funding of $158.5 thousand was provided for salaries and operating costs for REAP. |
| Additional Results:<br>• Funding of $11.3 thousand was provided for interest costs related to the remaining outstanding loans under the Community Works Loan Program. |

### 3 (d) Less: Recoverable from Rural Economic Development Initiatives

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Recoveries | 93 | - | (725) | 818 | 1 |
| **Total Sub-Appropriation** | **93** | **-** | **(725)** | **818** | |

1. *The under-recovery is primarily the result of reductions in loan provisions under the Rural Entrepreneur Assistance program.*

# Appropriation 4
# Agri-Industry Development and Advancement

The Agri-Industry Development and Advancement division provides technical support, leadership, specialized services and information to enhance the development of Manitoba's agrifood industry and rural economy. It develops leading edge, science-based programming in specialized areas of crop and livestock production, animal health, animal welfare, food safety and environmental sustainability. The department also provides advice that assures food safety and controls and prevents crop and livestock diseases.

## Appropriation 4 (a) – Livestock Industry

The Livestock Knowledge Centre's mandate is to:

- Advance Manitoba's livestock industry by utilizing leadership capacity and technical expertise to develop and deliver innovative extension and business development programs.
- Enhance animal health in Manitoba by providing accurate, timely and affordable veterinary diagnostic services through the Provincial Veterinary Diagnostic Laboratory and support veterinary rural practice through administration of the Rural Veterinary District Program, Large Animal Veterinary Retention Program, Veterinary Science Scholarship Fund and Veterinary Summer Student Program.

| **PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY** |
|---|
| **Objective A: Increase productivity on the agricultural land base.** |
| Expected Results:<br>• Conduct field-testing of forage species for flood resistance and suitability for restoring flooded acres (e.g. salinity tolerance).<br>• Develop and implement a common platform focusing on beef/forage research and extension with Agriculture and Agri-Food Canada (AAFC), University of Manitoba (U of M) and Manitoba Beef Producers (MBP).<br>• Develop a diversification centre with focus on beef and forage applied research in conjunction with MBP and the U of M Faculty of Agriculture and Food Sciences. |
| Actual Results:<br>• MAFRD staff designed and delivered the Lake Manitoba Forage Restoration project. This three-year project will help staff evaluate different methods of re-establishing pasture and hay blends after flooding. As part of Beef Week and regional meetings, MAFRD staff presented at 20 meetings across the province to review recovery options for flooded forages and feeding strategies for poor quality feeds.<br>• The research webpage on the MAFRD website helps with the extension of research activities and findings relating to the Manitoba beef industry.<br>• MAFRD participates in the strategic advisory committee for the Western Beef Development Centre in Saskatchewan.<br>• MAFRD is working with MBP, U of M and AAFC to develop a common platform focusing on beef/forage research and extension. A proposal for industry and government funding of the platform is being developed.<br>• Requested funding, as part of the funding for the proposed beef/forage research and an extension platform, to develop a diversification centre that MBP would operate in co-operation with MAFRD and industry partners. |

| **Objective B: Stabilize the production capacity and profitability of farm businesses to withstand weather and market-related risks.** |
|---|
| Expected Results:<br>• Help develop the response to border closures, including responsible methods of euthanasia and carcass disposal, and planning for market recovery after an outbreak. |

- Provide regulatory services to ensure bonding of livestock dealers and payments to producers within the legislated time.
- Undertake training, extension and field projects with producers and associations to evaluate and promote new animal husbandry practices.

Actual Results:

- Represented MAFRD on the National Livestock Market Interruption Strategy Steering committee. The committee's mandate is to find methods to increase market recovery after a border closure or disease event.
- Represented MAFRD in the National Disposal discussion group. The group's mandate is to improve readiness throughout Canada by developing acceptable and collaborative procedures for mass depopulation for animal welfare, disease control and other situations as they may arise. The group is tasked with developing and planning a co-ordinated disposal response during emergencies.
- Represented Manitoba on the national committee developing national biosecurity standards for the goat industry.
- Developed and delivered biosecurity programming for livestock producers under Growing Forward 2 (GF2). Formed and consulted technical advisory groups to obtain industry input on programming. Processed and approved 112 biosecurity applications valued at $418 thousand; project funds helped producers meet the national biosecurity standards developed for livestock production.
- Supported the Chief Veterinary Office's (CVO) work with industry to manage the arrival of the Porcine Epidemic Diarrhea virus (PEDv) in Manitoba; worked with industry to arrange biosecure handling of animals from infected sites and surveillance at abattoirs and assembly yards; and helped investigate and track the movement of animals on and off infected sites. Additionally, the Livestock Knowledge Centre (LKC) acted as a liaison with private veterinarians and the Manitoba Pork Council.
- Set up and delivered the inspection and payment processes for the flood mitigation of the 2011 Lake Manitoba Financial Assistance Program, including the areas of transportation, overwintering and agricultural property damage. Payments to more than 320 producers were processed for 1,950 claims valued at $10.6 million. Compensation was provided for 1,250 km of damaged fence, 9,500 tons of damaged feed inventory, and the cleanup of debris on over 50,000 agricultural acres.
- Managed a dealer/agent licensing program with approximately 100 licensed dealers and 69 licensed agents. MAFRD provided program support, bond security checks, and licensing procedures. There were no dealer defaults in 2013 and no complaints requiring investigation.
- Supported the development and delivery of numerous training events.
    - Cattle Chat is a series of five webinars targeting the beef sector. Topics included managing winter feed supplies, sire winter nutrition, bull selection and pre/post weaning calving nutrition. Approximately 40 people participated in each webinar, either live or through a recording of the presentation.
    - Hog and Poultry Days is the premier annual tradeshow for pork and poultry industry participants in Manitoba (the event location alternates between Winnipeg and Brandon each year). More than 1,000 people attended the 2013 Hog and Poultry Days in Brandon.
    - Twenty-five producers attended the implant workshop at Douglas Bull Test Station.
    - In June 2013, 73 producers attended Manitoba Hay and Silage Day in Neepawa.
    - The Provincial Pasture Tour, held in August 2013 in the Interlake region, demonstrated different grazing systems, alternative forage crops, fertilization and forage variety trials.
    - Manitoba Beef and Forage Days, held in January 2014, is a provincial seminar series focused on timely topics within the beef industry featuring respected keynote speakers. The seminar series, delivered in five locations, attracted more than 400 producers, industry professionals and staff.
    - The Manitoba Swine Seminar is the premier annual technical event discussing pork production in Manitoba. In January 2014, 435 people attended the seminar.

- Delivered six educational workshops across the province in the fall of 2013 to address the issue of wildlife damage in livestock. Manitoba beef and sheep producers were the main audience at these workshops.

**Objective C: Provide Manitoba's producers and rural businesses reasonable access to credit and assist young farmers in the inter-generational transfer of assets.**

Expected Results:

- Successful applicants to the program are provided free use of quota for eight years to assist them in their operations.

Actual Results:

- Worked with Dairy Farmers of Manitoba (DFM) to evaluate and provide business-planning services to five applicants for the New Entrant Dairy program. One applicant was successful and will have free use of quota for eight years.

**Objective D: Increase the number of economically viable farms by 30% by 2020.**

Expected Results:

- Provide technical expertise and cost-of-production budgets to help individuals evaluate opportunities in developing established and specialty production areas.
- Provide advice and training for producers in the areas of nutrition and marketing to optimize feed formulation and ingredient purchasing to mitigate the impacts of fluctuating ingredient prices and supply, and use market risk management techniques.
- Investigate and develop baseline data on the relationship between carcass quality and the management and environmental factors associated with transporting livestock to market.

Actual Results:

- Updated costs-of-production for sheep production, two types of bison production, four types of cattle production, and five types of swine production.
- Worked with Inter-provincial Partnership for Sustainable Freshwater Aquaculture Development to analyse the economic data for the Manitoba-Canada Model Aqua-Farm Initiative. The analysis will help potential investors in the aquaculture sector in Manitoba.
- Maintained the MAFRD website that provides up-to-date industry information on production, global marketing, farm practices guidelines, cost-of-production budgets and industry profiles.
- Worked with U of M and AAFC on the Winter Cow Slaughter Transportation project. The goal of the project is to study how transportation during cold winter months affects beef carcass quality. Two loads of cattle were monitored each week over three months. The effects of on-farm handling, transportation and handling at slaughter are being investigated.

**Objective E: Reduce the economic and trade impact of animal and crop diseases through surveillance and diagnostic services.**

Expected Results:

- Conduct diagnostic tests for the commercial animal sector supporting veterinarians and clients in Manitoba.
- Finalize a strategic management plan for the Veterinary Diagnostic Services (VDS) laboratory based in part on a series of client consultations held in 2012 as well as explore options for collaboration with other provincial laboratories to create a western regional animal health system.
- Administer grants for up to 27 veterinary services district clinics and administer veterinary student scholarships and Student Temporary Employment Program (STEP) placement.

Actual Results:

- VDS conducted 131,098 tests, of which approximately 112,000 were designated for food animals.
- The construction of the Foreign Animal Disease Laboratory is complete. Final improvements took place in July 2013 and as of March 31, 2014 the facility was awaiting accreditation from the Canadian Food Inspection Agency (CFIA).
- VDS helped diagnose and manage provincially reportable diseases such as infectious laryngotracheitis and PEDv. In February and March 2014, VDS performed approximately 3,800 tests for PEDv.

- VDS developed and carried out the following routine diagnostic virology tests based on client need:
    - Porcine Epidemic Diarrhea virus
    - Swine DeltaCoronavirus
    - Porcine rotavirus group B
    - Porcine parvovirus
    - Bovine viral diarrhea virus
    - Bovine rotavirus
    - Infectious bovine rhinotracheitis (bovine herpesvirus 1)
    - Bovine Respiratory Syncytial virus
    - Mycoplasma hyorhinis
    - Avian orthoreovirus.
- Redesigned real time Polymerase Chain Reaction (PCR) testing for Porcine Coronavirus (PCV) types PCV-2a and PCV-2b
- VDS resumed the following tests based on client need:
    - Bovine leukemia virus enzyme-linked immunosorbent assay (ELISA)
    - Neospora caninum ELISA
    - Mycobacterium avium paratuberculosis (Johne's) ELISA.
- VDS staff delivered five general and technical veterinary diagnostic presentations at U of M and Red River College to approximately 120 students throughout the year. Additionally, they presented at the joint Manitoba Veterinary Medical Association/Manitoba Animal Health Technologists Association conference. Training sessions were also conducted for newly hired provincial meat inspectors, provincial animal protection officers and individuals that the province contracted to collect rabies samples following the discontinuation of CFIA services.
- VDS participated with other provincial animal laboratories in a project that examined the creation of a regional animal health system for Western Canada. Three phases of this Canada West project have been completed and operational efficiencies resulting from structured collaborations have been identified. In 2013/14, the vision developed in the first phases was used to create a more detailed delivery model framework. A high-level business and implementation plan was created for the partners to consider.
- The LKC administered the Veterinary Services District Program operating grant of $479 thousand. The grant is distributed between 27 veterinary service district clinics. The extension veterinarian worked directly with the veterinary district boards and the Veterinary Services Commission to address local issues in the delivery of veterinary services to their communities.
- The Large Animal Veterinary Retention program provided four scholarships totaling $20 thousand in 2013/14 to Manitoba students in their third or fourth year at the Western College of Veterinary Medicine. In return for each $5 thousand award received, the recipient agreed to work for one year in a rural Manitoba veterinary clinic.
- Thirteen veterinary sciences scholarships, valued at $1,125 each, were awarded in 2013/14.
- The Veterinary Student Employment program enables students to get hands-on experience in a rural setting during the summer. Nine students participated in 2013.

**Objective F: Protect human and animal health through development and enforcement of regulations.**

Expected Results:

- Support federal/provincial bovine tuberculosis (bTB) programming in the Riding Mountain Eradication Area (RMEA) through risk assessments and bTB fencing programs to work towards eradication of the disease.
- Help investigate animal welfare inspections and work with producers so they can meet standards for animal care under *The Animal Care Act* in an effort to work proactively with industry to reduce the number of animal welfare events.

Actual Results:

- Staff continued their involvement in bovine tuberculosis (bTB) risk management in conjunction with the RMEA. Specific activities included:
    - Tendering for the construction of five stockyard fences to prevent access to livestock feed

supplies by wildlife
    - Mapping location of barrier fences funded in the RMEA
    - Providing nutritional and management advice to livestock producers in RMEA
    - Training staff with Manitoba Beef Producers (MBP) to conduct on-farm risk assessments
    - Facilitating submission of an Agriculture Research Development Initiative research proposal to update the scientific model for assessing the risk of the spread of bTB
    - Participating in the bTB Task Force committee that deals with various aspects of bTB control and eradication
    - Funding construction and initiating a three-year 3-D fence pilot project on a bale-grazing site within the RMEA. The project will test whether this new fence design is an effective, economical alternative to traditional barrier fences.
- The LKC helped eight producers with livestock at risk for animal welfare issues to address management and nutritional issues affecting their animals. Conducted three investigations for odour complaints and other concerns under *The Farm Practices Protection Act*.
- The LKC participated in the committee of the National Farm Animal Care Council that developed and released the new Beef Cattle Code of Practices in August 2013. Staff are participating in the federal/provincial No Stun Slaughter working group that is reviewing humane handling of animals during ritual slaughter.
- VDS was directly involved with 256 animal welfare investigations for the CVO. Veterinary pathologists served as prosecution witnesses as required.
- VDS staff participated in federal tabletop exercises used to develop foreign animal disease emergency plans. VDS continues to support and provide expertise towards the development and implementation of disease response strategies and the federally sponsored Canadian Animal Health Surveillance Network (CAHSN). Manitoba was the first province to sign the CAHSN information sharing agreement and was identified as a leader in national disease surveillance.
- A MAFRD staff member is completing a Veterinary Forensic Certificate program at the University of Florida Colleges of Medicine and Veterinary Medicine. The purpose is to gain additional knowledge and expertise to be used in the area of animal welfare diagnostics.

**Objective G: Increase the safety of food and food products from the farm to the back door of the retailer.**

Expected Results:

- Work with industry to develop and deliver training and tools to promote appropriate farm practices affecting food safety.

Actual Results:

- Staff made 40 farm calls to Manitoba dairy producers to troubleshoot milk quality, taste and antibiotic issues. Producer relations at the DFM referred all calls to the LKC. The milk quality calls support the DFM's decision that all producers should meet the European Union standard for somatic cell counts, improving milk shelf life and increasing market access.
- The VDS undertook numerous activities to support food safety, including:
    - Performing daily testing of food-borne and zoonotic diseases, including approximately 4,800 *salmonella* screening tests
    - Setting up and performing kidney inhibition swab tests as part of the provincial meat inspection program
    - Setting up procedures to provide service and expertise in the investigation of condemned slaughter animals as part of the provincial meat inspection program.
- The LKC developed and delivered food safety programming for livestock producers under GF2. Technical advisory groups were formed to provide industry input on programming. More than 60 applications were processed and approved for a value of $117 thousand. Project funds helped producers meet the national food safety standards developed for livestock production.

**PRIORITY 2 – ECONOMIC OPPORTUNITIES**

**Objective A: Increase the value of food processing in Manitoba to $5 billion by 2020.**

Expected Results:

- Support the development of methods by which the hog industry can grow.
- Promote new products and production to support new or expanding processing opportunities.
- Provide tools to help clients identify and undertake the steps necessary to enter new markets and engage in new production models.

Actual Results:

- Staff continued their work developing methods to support the hog sector development, while supporting provincial environmental regulations. Specific activities included:
    - Detailed mapping of the current standards and how they affect the potential location of livestock enterprises
    - Mapping of manure concentrations and soil phosphorus levels across the province
    - Assessment of the economic affect of renewal of swine barn infrastructure
    - Analysis and background documents on a hog loan stabilization proposal, provincial slaughter capacity and outlook of the hog sector.
- The Manitoba-Canadian Model Aqua-Farm Initiative, supported by the Manitoban and federal governments, was launched in 2008 in co-operation with industry partners. A model farm was constructed as a demonstration and skills development facility, as well as a commercial farm. It tested and refined trout fish farming on a commercial scale. The project ended on March 31, 2013 with the expiry of the agreement between the project members. An analysis of two years of fish production and environmental monitoring data is now underway. A technical manual on the operation of the model fish farm has been written and the final report is being drafted.
- Staff participated in monthly conference calls with provincial abattoirs to identify and address issues. Help has been provided in sourcing a pig supply for individual abattoirs and a project addressing biosecurity has been started.
- A delegation from a large Russian farming conglomerate toured the province to see cattle genetics and extended grazing systems.
- Staff worked with a Manitoba company to receive funding for research at the Richardson Centre for Functional Foods and Nutriceutical on methods of extracting a natural plant product with the potential to replace antibiotics in livestock feed. Staff also helped the company obtain patents for field scale production of the plants and extraction of the plant compounds.

**Objective B: Position Manitoba as a Canadian leader in development of healthy foods (consumer-ready, functional foods, etc.)**

Expected Results:

- Provide on-farm milk quality services and work with the DFM to help producers meet milk quality guidelines.

Actual Results:

- Staff made 40 farm calls to Manitoba dairy producers to troubleshoot milk quality, taste and antibiotic issues. Producer relations at the DFM referred all calls to the LKC. The staff helped producers meet the European Union milk standards, improving product shelf life and helping the Manitoba dairy sector to access new markets.

**Objective D: Empower commodity association capacity to strategize/drive more value from commodities.**

Expected Results:

- With producer groups, develop and grow value chains such as the First Nations Bison Marketing Station.
- Maintain a brand's registry and work with industry to enhance the use of manifests, traceability and premise identification to support the movement of livestock across provincial and international borders.

Actual Results:

- Five aboriginal clients and First Nation communities were provided technical marketing and management help with expanding their bison herds. The bison business development specialists worked with and have been instrumental in developing the First Nations Bison Market Station. MAFRD staff also participated in an aboriginal aquaculture conference in Winnipeg in February 2014.
- MAFRD participated on the national sheep, swine and beef value-chain round tables with the goal of enhancing Canadian competitiveness and profitability through a broad, solutions-based approach that encourages industry-led solutions to identified problems.
- The LKC maintained a brand registry for cattle and horses under a provision of *The Livestock and Livestock Products Act*. Currently, there are 2,356 active registered brands.
- The LKC printed and distributed revised livestock manifests to include premise identification information as recommended by the Federal Provincial Cattle Movement Reporting Working Group. In consultation with the Manitoba Livestock Marketing Association, fields were added to the manifest to improve its usefulness as a commercial document.
- In 2013, more than 200,000 head of cattle moved from Manitoba into Saskatchewan and Alberta. The manifest, branding and dealer licensing programs, support this ongoing trade.

**PRIORITY 3 – AGRICULTURAL RESOURCE BASE**

**Objective B: Decrease phosphorus loss from agricultural operations.**

Expected Results:

- Increase the knowledge of producers on sustainable manure management including treatment, storage and application options (e.g. manure applicator and planner training), and alternative feeding and housing practices (e.g. sustainable grazing management practices, milk wash water project).

Actual Results:

- The vice-chair of the Manitoba Livestock Manure Management Initiative (MLMMI) worked with MLMMI and the Prairie Agricultural Machinery Institute to develop a manure separator-testing project.
- Along with the livestock industry and U of M, the LKC participated on the Phosphorous Committee to discuss research, demonstration and extension needs of the livestock industry. Participation was intended to better manage manure to reduce phosphorus loss to the environment and to comply with regulatory requirements.
- Presented information on manure application technologies at a manure applicator training course.
- Worked with the Manitoba Egg Producers Board to develop design criteria to lower costs for solid manure storages.
- Produced a factsheet summarizing the whole dairy farm phosphorus study that U of M conducted.
- Completed a field study of phosphorus in dairy wash water. Sampled wash water on 13 dairy farms and produced recommendations on methods of reducing phosphorus content. Developed a factsheet on beneficial management practices (BMPs) and released it at the spring DFM meeting. Provided input into the provincial policy on wash water storage.
- Produced detailed maps of how the current provincial regulations affect the potential location of livestock enterprises. Mapping of manure concentrations and soil phosphorus levels across the province was conducted.
- Provided mapping products to assess manure storage location, manure handling strategies, watershed management, wildlife use areas and the technical review of the location of livestock operations. Other mapping supported Environmental Farm Plan workshops, studies of provincial ecozones and a feasibility study for a manure pipeline.
- Provided technical and database support for updating the calculator used to estimate manure production and land base capacity for livestock operations. Supported a project on phosphorous levels in feed.

| **Objective D: Decrease net greenhouse gas emissions from agriculture.** |
|---|
| Expected Results:<br>• Support the extension and demonstration of BMPs that reduce greenhouse gas production (e.g. residual feed intake). |
| Actual Results:<br>• Worked with the University of Brandon in stakeholder consultations on shelterbelts in Manitoba.<br>• Provided technical support to conduct a greenhouse gas lifecycle analysis for beef production. |

| **Objective E: Develop an ecological goods and services (EG&S) framework to protect, enhance and restore natural capital in agroManitoba.** |
|---|
| Expected Results:<br>• Support and promote EG&S programming with applicable livestock associations. |
| Actual Results:<br>• Provided technical information to help the development of BMPs supported under the EG&S program for GF2. |

| **PRIORITY 4 – SCIENCE, INNOVATION AND ADAPTATION** |
|---|
| **Objective B: Develop the capacity of industry associations to increase the value, profitability and sustainability of producing and processing various commodities.** |
| Expected Results:<br>• Develop and implement the collaborative framework to build capacity in the beef and forage sectors via an innovative common platform involving partnerships with MBP, U of M and AAFC. |
| Actual Results:<br>• MAFRD is working with MBP, U of M and AAFC to develop and carry out a common platform focusing on beef/forage research and extension. A proposal for industry and government funding of the platform is being developed. Under the proposal, investments will be made in the infrastructure and capacity to conduct foundational research and evaluation/demonstration trials in Manitoba. |

| **Objective C: Accelerate commercialization of research supported in Manitoba.** |
|---|
| Expected Results:<br>• Work with research and association partners to advance foundational research to technology transfer and commercialization in the beef and forage sector. |
| Actual Results:<br>• MAFRD is working with MBP, the U of M and AAFC to develop and carry out a common platform focusing on beef/forage research and extension. A proposal for industry and government funding of the platform is being developed. Under the proposal, investments will be made in the infrastructure and capacity to conduct foundational research and evaluation/demonstration trials in Manitoba. |

| **Objective D: Increase the resilience of agricultural production in Manitoba to climate variability.** |
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| Expected Results:<br>• Help develop an agricultural climate change adaptation strategy from a livestock sector point of view. |
| Actual Results:<br>• Participated in MAFRD's Extremes of Moisture Response horizontal team to assess the potential for drought, flooding and excess moisture events.<br>• Developed a water model budget for Manitoba Conservation and Water Stewardship to use when licensing wells for dairy farm use.<br>• Provided mapping and technical support for MAFRD's agricultural weather program, database of weather norms, and watershed management plans. |

## 4 (a) Livestock Industry

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 4,445 | 57.50 | 4,945 | (500) | |
| (2) Other Expenditures | 1,750 | - | 1,751 | (1) | |
| (3) Grant Assistance | 473 | - | 495 | (22) | |
| **Total Sub-Appropriation** | **6,668** | **57.50** | **7,191** | **(523)** | |

## Appropriation 4 (b) – Chief Veterinary Office/Food Safety

The Chief Veterinary Office (CVO)/Food Safety Knowledge Centre's mandate is as follows:

- To protect the health of the public from diseases that can pass directly or indirectly from animals to people (Zoonotics). The purpose of this goal is to be able to detect, evaluate and respond to animal diseases that can directly threaten human health. This would include diseases such as avian influenza (AI), H1N1 influenza, tularemia, enterotoxogenic E. coli and *salmonella*.
- To protect the safety of the food supply, to safeguard the health of Manitobans and to justify confidence in Manitoba's food system at home and abroad. Programming in food safety will provide regulatory oversight and extension support to stakeholders.
- To protect the health and welfare of animals for economic and intrinsic benefit. This goal will focus on protecting the economic interests of producers, protecting the supply of animal-based food, and protecting the welfare of animals.
- To protect trade in agricultural products through health certification and assurance programs. This will promote agricultural trade and the economic viability of Manitoba producers.
- To develop critical information management – information technology tools and systems that provide the foundation for accomplishing the above stated goals.

| **PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY** |
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| **Objective B: Stabilize the production capacity and profitability of farm businesses to withstand weather and market-related risks.** |
| Expected Results:<br>• Early warning and emergency response systems are continuously improved.<br>• Animal welfare standards are amended. |
| Actual Results:<br>• MAFRD participates in an Animal Emergency Committee, which includes the Canadian Food Inspection Agency (CFIA), Manitoba Emergency Measures Organization (EMO), Public Safety Canada and Manitoba Health. In 2013, the committee continued to provide advice to response plans for animal emergencies.<br>• MAFRD created a suite of in-house software tools for managing animal emergencies, called DSSAE (pronounced DAISY). Building on the platform of the Premises Identification (PID) Database, the DSSAE prototype has been used for the avian influenza response in 2010, the 2011 flood, wildfires in 2012 and the natural gas outage in 2013. MAFRD also used DSSAE between emergencies to track more than 30 disease investigations. The next step will be moving from the prototype to a fully integrated emergency management information technology system.<br>• MAFRD has continually improved and refined its early warning surveillance systems for animal diseases, especially for those reportable under *The Animal Diseases Act*. This continues to provide early recognition of unusual disease trends so that MAFRD can initiate further investigation in a timely manner.<br>• Through its participation in the federal/provincial/territorial (FPT) Council of Chief Veterinary Officers and the National Farmed Animal Health and Welfare Council, MAFRD continued to work at the national level to ensure animal welfare policies and programs are consistent with those in other provinces.<br>• MAFRD's CVO and Veterinary Diagnostic Services (VDS) worked in partnership with FPT governments, veterinary colleges, industry associations and animal health laboratories to develop and validate the best diagnostics practices for specific disease testing, such as Porcine Epidemic Diarrhea virus (PEDv) and *Salmonella* Enteritidis. These practices have been shared to establish common protocols, especially for major animal diseases that can affect international trade and/or human health.<br>• The Geographic Information System (GIS) was used to help map disease outbreaks and with emergency management. Used outputs to contact farmers proactively and used by decision-makers for emergency response and recovery programs. |

**Objective E: Reduce the economic and trade impact of animal and crop diseases through surveillance and diagnostic services.**

Expected Results:

- Increased participation in traceability systems to minimize the impact of an animal health or food safety incident and maintain or increase market access.
- Disease surveillance protocol developed and implemented, minimizing the impact of disease incidents. An early warning system is operational.
- A plan for each disease program is in place and functional, and *The Animal Diseases Act* reflects such changes.
- Animal-related emergencies are dealt with effectively.

Actual Results:

- MAFRD chaired the PID Technical Solution working group, part of the Industry Government Advisory Committee (IGAC). Working with the Canadian Cattle Identification Agency (CCIA) the traceability system can now accept provincial PID numbers, thereby paving the way for reporting of animal movements across Canada.
- Manitoba is leading the IGAC Data Interoperability working group and the IGAC Data Integrity working group, in an effort to learn and guide data integrity across Canada.
- Manitoba participated in the Traceability National Information Portal project with the CFIA, the CCIA and Alberta Agriculture and Rural Development. It successfully brought together traceability information from all of these service providers. This is a critical step towards a national traceability system. The department was a key player.
- There are 5,452 premises identified in Manitoba. PID statistics have increased to 100 per cent commercial: pigs, chickens, eggs, turkeys, dairy and elk. In conjunction with the Manitoba Pork Council, a significant validation of swine premises in the database has occurred. A significant number of vacant or inactive swine operations are no longer recorded as swine premises.
- PID information was used in all disease investigations and animal emergencies in 2013/2014. Since its implementation in 2010, PID information has been used in over 60 incidents.
- Ongoing monitoring of carcass condemnations at provincial abattoirs has allowed for an assessment of health, welfare and food safety issues of locally marketed animals. The reporting has also been linked to the national Agriculture Marketing Information System. Abscesses, pneumonia and intestinal disease were the key reasons swine were condemned. Cattle were condemned primarily for welfare reasons such as emaciation. Poultry condemnations were primarily carcass quality issues that the abattoirs rejected. No specific condemnation predominated.
- Ongoing monitoring of submissions to VDS has been undertaken; a long-term plan to use this information effectively has progressed with the initial quarterly report produced in 2013. Further technological adjustments to the system were required to produce subsequent reports and these modifications are underway.
- Using a One Health approach, MAFRD has partnered with Manitoba Health and Manitoba Conservation and Water Stewardship to implement a rabies program in response to the withdrawal of CFIA from rabies case management. The program has trained 38 individuals to respond to suspect rabies cases across the province, in both wildlife and livestock. The program is in the early stages of implementation and key areas, such as reporting links, continue to be developed.
- MAFRD has also used a One Health approach with other stakeholders to develop and implement disease response policies and procedures for anthrax, anaplasmosis, chronic wasting disease, PEDv and *Salmonella* Enteritidis. These procedures were included in the disease investigation program.
- Staff continued their involvement in bovine tuberculosis (bTB) risk management with other stakeholders. Specific activities included:
    - Training staff with MAFRD and CFIA to conduct on-farm risk assessments
    - Conducting or reviewing on-farm risk assessments from 12 operations in the Riding Mountain Eradication Area (RMEA)
    - Evaluating wildlife livestock interaction risks for more than 50 livestock operations in the RMEA, using a land use model developed for the department in 2007

- Facilitating the submission of proposals to the Agri-Food Research and Development Initiative to update the land use model for assessing the risk of the spread of bTB
- Participating in the bTB task force committee and the Scientific Review Committee. Both committees deal with various aspects of bTB control and eradication
- Providing advice to the construction and initiation of a three-year 3-D fence pilot project on a bale-grazing site within the RMEA. The project will test whether this new fence design is an effective, economical alternative to traditional barrier fences.

- Completed the first draft of amendments to *The Animal Diseases Act*. The amendments focus on improving the response to emerging diseases, the ability to address animal health hazards, the recognition of industry led biosecurity protocols, the ability to conduct certain regulatory actions, such as quarantines, and the recognition of the importance of animal health surveillance.
- Added PEDv to the reportable disease regulation under *The Animal Diseases Act,* which allowed MAFRD to respond to the North America wide threat of PEDv to the swine industry.
- MAFRD conducted 13 disease investigations in 2013. In poultry, the department investigated two cases of infectious laryngotrachetis (ILT) and two cases of *Salmonella* Enteritidis. The ILT investigations included the first case of ILT in a commercial flock in more than 25 years. In ruminants, one anaplasmosis investigation in one clinical case led to herd testing in four additional herds. The department investigated three swine herds for possible exposure to PEDv, the results of which were negative. Additional investigations included testing for West Nile virus in horses, pesticide exposure in a dairy herd and poisoning of a flock of corvids.
- MAFRD developed the capacity to integrate animal and human health data and analyze this with diverse agricultural, environmental and socio-demographic information. MAFRD was an active participant in the Situational Awareness GIS Co-ordination group led by Manitoba Emergency Measures Organization, which co-ordinates emergency mapping readiness among partnering organizations for Manitoba emergencies.

**Objective F: Protect human and animal health through development and enforcement of regulations.**

Expected Results:

- Programs are developed and implemented to ensure licensing and permitting requirements for the department are met.
- Food processing and warehouse facilities are inspected on a regular basis.
- Regulations are developed to support *The Food Safety Act.*
- Programs are developed and implemented to ensure *The Animal Care Act* is enforced through proactive and complaint-based inspections.

Actual Results:

- More than 450 food processing establishments and warehouses were permitted under MAFRD's inspection services in 2013.
- In 2013, MAFRD health officers conducted 611 food safety inspections, issued 15 warning letters and six offence notices. They also seized and destroyed product from three open facilities and closed one facility.
- MAFRD is in the process of completing four regulations that will reside under *The Food Safety Act* when it is proclaimed; Food Safety Regulation, Abattoir Regulation, Dairy Regulation and Transportation of Dairy Products Regulation. All newly drafted regulations have been designed to be risk and outcome based to ensure food safety, while allowing the food processing sector to remain flexible and competitive.
- There are 80 animal protection officers (APOs) located throughout Manitoba who performed inspections and helped the Chief Veterinary Officer enforce *The Animal Care Act* on a contract basis. MAFRD continues to offer annual training to APOs to ensure high standards are observed.
- In the 2013/14, the department conducted 582 animal welfare inspections, with 28 per cent of the complaints unfounded and two per cent resulting in prosecution. The top five non-compliances and the distributions of cases by actions and by species are presented in figure 1 at the end of the narrative.
- The Animal Welfare program has been in place in its current form since 2010. The program focuses on complaint-based inspections and maintains a high level of training for APOs.

**Objective G: Increase the safety of food and food products from the farm to the back door of the retailer.**

Expected Results:

- Increased food safety protocol/standards are adopted, and training for farms, processors and warehouses/distributors is delivered through successful partnerships.
- The number of agricultural producers participating in food safety programming has increased.
- The provincially operated meat inspection program meets consumer and operator expectations.

Actual Results:

- In the fall of 2013, MAFRD announced Growing Forward 2 (GF2) Growing Assurance – Food Safety Food Processing and Distribution. This program provides technical support and funding to Manitoba agrifood processors, distributors, transporters and direct food contact packaging manufacturers who adopt food safety programs and traceability systems. Almost $1.5 million was set aside for this sector under GF2. This program builds upon the successes of the previous Growing Forward Program, which ended March 31, 2013.
- As of January 1, 2014, MAFRD finished implementing the meat hygiene inspection program in all 27 provincial abattoirs. This completes the transition of the program from the CFIA to the department. In 2013, MAFRD hired and trained 16 inspectors and two supervisors for the program. The department has identified areas for improvement in the areas of food safety, animal welfare and biosecurity in several abattoirs. Steps have been started to address these areas through both regulatory and program GF2 means. MAFRD started regular consultations with abattoir operators for their input.

**PRIORITY 2 – ECONOMIC OPPORTUNITIES**

**Objective C: Increase the economic impact of secondary and tertiary businesses serving agricultural operations.**

Expected Results:

- Food businesses adopt food safety programs and retain or expand their markets.
- Animal health and welfare programs support expanded markets for the livestock industries.

Actual Results:

- Adoption of food safety programs: see priority 1, objective G and objective F below.
- MAFRD developed the hatchery and the hatchery supply flock health certification program to be equivalent to the National Poultry Improvement Program in the United States. In 2013, MAFRD certified 53 hatchery supply flocks under the Hatchery and Hatchery Supply Flock Regulation. MAFRD has developed a transition plan through GF2 to have the poultry industries lead the flock certification program.
- Eleven turkey breeder flocks are on a regular monitoring program for *Salmonella spp* and *Mycoplasma spp.* The program allows for regular export of turkey poults to the United States.
- Forty-one poultry breeder flocks (35 broiler, six layer) are on a regular monitoring program for *Salmonella spp* and *Mycoplasma spp.* While none of the flocks are exported regularly, the program allows local producers to have confidence in the health of the chicks they purchase. It has also helped the layer hatcheries access other provincial markets.
- Twenty-seven turkey flocks were tested for avian influenza to allow export to a poultry abattoir in Minnesota.
- Five elk farms in Manitoba tested 35 elks for chronic wasting disease (CWD), either through on-farm mortalities or through slaughter surveillance. The program provides a level of assurance that CWD does not enter Manitoba elk farms. The CWD testing program also tested 300 wild cervids submitted by Manitoba Conservation from areas of Manitoba adjacent to high-risk CWD areas in Saskatchewan.
- Twenty-two small farm flocks with higher than expected mortalities, were tested for avian influenza and other reportable diseases. None of the flocks required further disease investigation.

**Objective D: Empower commodity association capacity to strategize/drive more value from commodities.**

Expected Results:

- Manitoba Food Processors Association (MFPA) and other associations lead in providing food safety training for their members.

Actual Results:

- The involvement of MFPA and other associations in leading food safety training has not been fully realized in 2013. Opportunities to support industry leadership continue to be explored.

**Objective E: Support Rural Manitoba's capacity to drive economic development.**

Expected Results:

- Rural food businesses enjoy enhanced consumer confidence.

Actual Results:

- The results for this objective are covered under the following: priority 1, objective B: the disease response component that provides assurance to trading partners; priority 1, objective E: the disease investigation and traceability programs further ensure local and international markets; priority 1, objective F & G: the food safety inspection service and the enhanced food safety programs under GF2 support value added food production; and finally priority 2, objective C: animal health programs that provide market assurance of disease freedom.

**Objective F: Co-ordinate economic development support with Canada, municipalities and other players.**

Expected Results:

- A risk-based, outcome-based food safety system is in place.

Actual Results:

- The advancement of a risk-based, outcome-based food safety system has been started with Manitoba Health:
    - Regulatory development has been started and is ongoing in both departments.
    - In the fall of 2013, the auditor general identified 13 of 23 food safety systems recommendations as complete, eight as in progress and one as no longer applicable.
    - Both departments have identified challenges in two key areas: training for inspection staff and enforcement. Plans have been developed to address both of these areas.
    - MAFRD has taken steps to develop a regular reporting method to inform the system. Key reports have been developed with effective use of the information at the inspection level to occur.
- MAFRD promoted food safety compliance with the risk and outcome-based approaches that have been initiated under. This resulted in the identification of the key areas necessary for continued compliance promotion and the subsequent plan to move it forward. Key areas identified are:
    - To help industry develop and implement food safety programs.
    - To conduct gap and risk assessments at processing facilities.
    - To develop and deliver food safety training with industry partners.
    - To develop educational resources and guidance documents.
    - To distribute monthly e-bulletins to subscribers (currently 730)
    - To operate the Food Safety Technical Resource Centre, which allows industry to email food safety questions and request technical information etc. (responded to 104 technical requests in 2013).
    - To continue updating and developing a comprehensive food safety website.
    - To maintain the provincial food safety Hazard Analysis Critical Control Point standard.
    - To maintain the provincial food safety recognition system (two audits conducted in 2013).

| PRIORITY 4 – SCIENCE, INNOVATION AND ADAPTATION |
|---|
| **Objective B: Develop the capacity of industry associations to increase the value, profitability and sustainability of producing and processing various commodities.** |
| Expected Results:<br>• MFPA and other associations will have new and additional information to help their members use this knowledge to increase their position in the market place. |
| Actual Results:<br>• In 2013, MFPA and other associations were identified as key stakeholders in consultation for outcome-based regulations. |

## 4 (b) Chief Veterinary Office/Food Safety

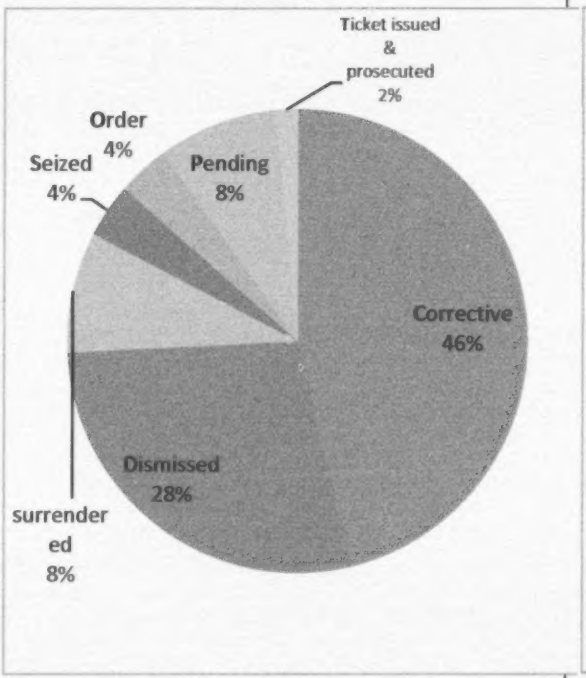
| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 3,033 | 43.00 | 3,655 | (622) | 1 |
| (2) Other Expenditures | 2,059 | - | 2,010 | 49 | |
| **Total Sub-Appropriation** | **5,092** | **43.00** | **5,665** | **(573)** | |

1. *The under-expenditure is primarily due to slower than anticipated hiring of staff for the new provincial Meat Inspection Services program.*

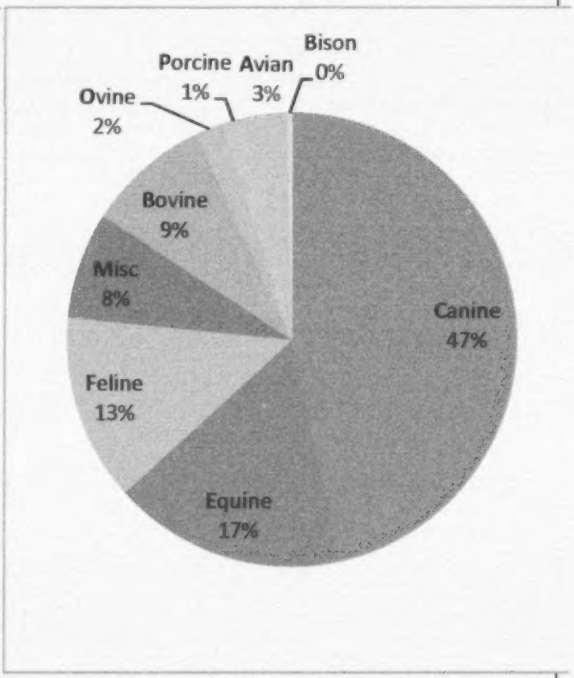
**Figure 1**

| STATISTICS 2013 |
|---|
| **Total number of humane cases filed = 582** |
| **Percentage of Cases by:** |

**Outcomes**




**Per Species**




| **Top 5 Concerns** | Section of the ***Animal Care Act*** |
|---|---|
| 1. Fail to ensure adequate source of food and water for an animal | 2 (1) (a) |
| 2. Fail to provide an animal with reasonable protection from injurious heat or cold | 2 (1) (c) |
| 3. Fail to provide adequate medical attention for an animal when it is wounded or ill | 2 (1) (b) |
| 4. Confine an animal to an enclosure or area with unsanitary conditions, so as to significantly impair the animal's health or well-being | 2(1) (d)(ii) |
| 5. Inflict upon an animal acute suffering, serious injury or harm, or extreme anxiety or distress that significantly impairs its health | 3 (1) |

## Appropriation 4 (c) – Crop Industry

The mandate of the Crops Knowledge Centre (KC) is to provide leadership, intelligence and recommendations on issues pertaining to production, processing and marketing of crops suited for production in Manitoba. The underlying principles for priority development include:

- enhancement of net farm income
- rural community development
- environmental sustainability.

The Soil Survey program undertakes mapping of soil in areas of particular sensitivity or proposed development that ensures the best possible decisions are made about land use and management in Manitoba. This initiative is being delivered in consultation with other departments involved in mapping functions and enforcement of land use and management decision such as *The Planning Act*, *The Water Protection Act* and *The Environment Act*.

| **PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY** |
|---|
| **Objective A: Increase productivity on the agricultural land base.** |
| Expected Results:<br>• Increased productivity through enhanced adoption of recommendations on crop production via new and updated factsheets, technical seminars, workshops and guides.<br>• Increased productivity by providing timely production information through improved information dissemination using current technology. |
| Actual Results:<br>• Updated and published the 2014 Guide to Crop Protection with Saskatchewan. Updated and published field crop variety performance information in Seed Manitoba 2014 and on two websites, www.seedinteractive.ca and www.seedmb.ca.<br>• Developed and presented technical seminars, presentations, factsheets, and reports at the Crop Protection Industry meeting, MAFRD staff training, the Manitoba Agronomists Conference, Manitoba Ag Days, the Crop Connect Direct Farm Marketing Conference, commodity group workshops and scientific reports like Western Forum.<br>• Provided hands-on training to producers, industry and staff though the Field Crop Diagnostic School, Horticulture Diagnostic School, Winter Wheat Survival Workshops, potato field days and other agronomy meetings.<br>• Helped to develop and post 200 articles and more than 40 posts regarding timely production information to cropchatter.com. Responded to more than 100 media requests pertaining to current crop production issues.<br>• Co-ordinated and edited 24 issues of the Manitoba Crop Report (May 6 to October 15) and produced 13 Manitoba insect and disease updates online.<br>• Co-ordinated, conducted and summarized provincial crop related surveys.<br>• Provided recommendations to MAFRD staff, producers and agribusinesses relating to fields, forages, horticulture, organic production, medicinal and industrial crops, pasture and range management systems, weeds, insect and disease control and soil fertility.<br>• Updated and reviewed more than 200 crop web pages as part of website renewal. |

| **Objective B: Stabilize the production capacity and profitability of farm businesses to withstand weather and market-related risks.** |
|---|
| Expected Results:<br>• Reduced production losses through timely generation and distribution of Fusarium head blight (FHB) and late blight disease risk forecasts with current management information allowing producers to mitigate losses and carry out an Integrated Pest Management program. |

- Reduced weather-related production and profit loss through enforcement of *The Noxious Weed Act*.

- Increased integrated pest management through delivery of a licensing program and, together with Assiniboine Community College, delivery of training for pesticide dealers and applicators and manure applicators.
- Reduced market instability through development of new strategies to address Low Level Presence/GMO market concerns.
- Reduced weather-related production loss through evaluation of new varieties agronomically suited for our growing region.

Actual Results:

- Provided regular FHB and late blight risk forecasts in 2014 growing season. The risk for both diseases was high due to frequent heavy rains throughout Manitoba. Provided advice to time the fungicide applications correctly based on the risk. This follows the federal guidelines of pesticide use reduction.
- Enforced *The Noxious Weed Act* and maintained a list of weed inspectors in the RMs and towns in Manitoba.
- Worked with Assiniboine Community College to administer certification of pesticide and manure applicators. Verified requirements and issued licenses under *The Pesticide and Fertilizer Control Act* to 1355 pesticide applicators, 456 pesticide vendors, and 55 manure applicators.
- Co-ordinated field crop variety trials and conducted vegetable variety trials (tomatoes, snap beans and peppers). Trials were summarized, published, and presented at grower meetings.

**Objective D: Increase the number of economically viable farms by 30% by 2020.**

Expected Results:

- Increased farm profitability through better risk management and adoption of stronger on-farm practices.
- Increased farm profitability by providing recommendations on crop production to growers and crop advisors through new and updated fact sheets and guides.
- Increased income stability through working with Manitoba Agricultural Services Corporation (MASC) to develop new programs that incorporate new crops/varieties being introduced in Manitoba.

Actual Results:

- Provided technical information to extend tax deferral for bees.
- High levels of training were offered to agronomists and crop advisers through the Manitoba Agronomist Conference, the Crop Diagnostics School in July 2013 and other workshops.
- Increased farm profitability through better risk management and the adoption of stronger on-farm vegetable production practices via the 2013 Horticultural Diagnostic School.
- Updated a variety of performance information in the Cereal Crops & Special Crops sections of Seed Manitoba 2014 and on two websites: www.seedinteractive.ca and www.seedmb.ca.
- Provided MASC with information on general purpose spring and winter wheat varieties grown in Manitoba.
- Targeted extension based on results of insect and disease monitoring. Participated in the Prairie Pest Monitoring Network to improve the proactive approach to pest management. Conducted monitoring and forecasting programs for diamondback moth, bertha armyworm, and grasshoppers. Conducted surveillance for swede midge, a relatively new fly in Manitoba, the larvae of which feeds on cruciferous vegetables and canola. Released the parasitoid *Tetrastichus julis* for the biological control of cereal leaf beetle, a relatively new beetle in Manitoba that feeds on cereal crops. Collaborated research with entomologists including the lifecycle and parasitoids areas of alfalfa weevil in the Prairies and the corn borer population in corn genetically modified to be resistant to European corn borer.

**Objective E: Reduce the economic and trade impact of animal and crop diseases through surveillance and diagnostic services.**

Expected Results:

- Increase cross-border movement of bees through inspection of honeybee colonies/leaf cutting bee operations. Diagnosis of submitted samples for freedom from diseases and pests allows import and export of live bees.
- Reduce production loss through early detection of disease by diagnosing 1,000 crop samples for plant diseases, herbicide injury and insect damage, plus identification of weeds and insects.
- Reduce production loss by more accurate monitoring and surveillance of disease status in Manitoba and by providing appropriate management options.

Actual Results:

- Inspected honeybee colonies for interprovincial movement (125), small hive beetle (335), American foulbrood (AFB) (185) and oxytetracycline resistant AFB (60). Conducted a focused inspection of leaf cutting bee operations (8) with high levels of chalkbrood disease.
- Processed honeybee and leaf cutting bee samples from Manitoba producers.
- Inspected 520 honeybee colonies for various honeybee disease and pests and analyzed 112 honeybee samples for varroa mite or nosema disease.
- The Crop Diagnostic Centre processed 1165 samples, of which 883 were processed for disease identification, 35 for insect damage and 106 samples were assessed for herbicide injury.
- Staff also completed 107 weed and 34 insect identifications. Analysis resulted in appropriate crop protection choices.
- Staff discussed and explored the prospect of industry-led inspection and lab analysis services with industry.

**Objective F: Protect human and animal health through development and enforcement of regulations.**

Expected Results:

- Improve provincial certification programs training applicators in safe handing and application of products protecting human and animal health.
- Reduce human and animal exposure to smoke through co-ordination of the Crop Residue Burning (CRB) Authorization program and development and extension of technology related to straw management alternatives, as well as the promotion of alternative straw utilization opportunities.
- Administration of legislation (including enforcement) and revision as needed.

Actual Results:

- Implemented *The Bee Act* in inspection and disease regulations and registration of new beekeepers.
- Issued 245 permits under the CRB program. Regulating burning in the rural municipalities (RMs) surrounding the City of Winnipeg has reduced the amount of smoke entering the city.
- Worked with Assiniboine Community College to administer certification of pesticide and manure applicators. Verified requirements and issued licenses under *The Pesticide and Fertilizer Control Act* to 1355 pesticide applicators, 456 pesticide vendors, and 55 manure applicators.
- Under the authority of *The Plant Pests & Diseases Act*, MAFRD inspected and controlled three related incidents of bacterial ring rot in a potato processing plant and three grower storages.
- Administered *The Noxious Weed Act* (NWA). Received six requests from weed supervisors for weed control costs greater than $500. As per the NWA, maintained a list of weed inspectors of the RMs and towns in Manitoba.
- Investigated four cases of non-target pesticide drift under *The Pesticide and Fertilizer Control Act*.

**Objective G: Increase the safety of food and food products from the farm to the back door of the retailer.**

Expected Results:

- Safer food and food products through increased producer awareness and participation in food safety programs.
- Development of national/provincial food safety/biosecurity programs that will increase food safety and security.

Actual Results:

- Participated in the development and training of the Bee Biosecurity Standard and Production manual.
- Horticulture and apiculture were developed using Voluntary National Biosecurity and Food Safety guidelines, Food Safety on Farm (FSOF) programs under Growing Forward 2 (GF2) and catalogs for grains and oilseeds.

- Conducted six honeybee FSOF biosecurity workshops across the province with 84 beekeepers in attendance.
- Co-ordinated and conducted two Grain and Oilseeds FSOF biosecurity training workshops for MAFRD farm production advisors so they could deliver the training to Manitoba farmers.
- Promoted the food safety program to large and small horticulture producers at grower meetings.
- Approved seven producer applications under the FSOF program for $12 thousand. Two horticulture projects were food safety related and five projects were biosecurity related (three in apiculture and two in grains and oilseeds).

**PRIORITY 2 – ECONOMIC OPPORTUNITIES**

**Objective A: Increase the value of food processing in Manitoba to $5 billion by 2020.**

Expected Results:

- Increased opportunities to promote and help on-farm, regional and provincial opportunities as they develop.
- Production of consistent high quality primary products that can be used as feedstock or local processing activities.

Actual Results:

- Explored, with industry, the prospect of industry-led inspection and lab analysis services.
- Worked with a local dehydration/puree business to look at using Manitoba vegetables in their food grade additives such as fibre.
- Provided field crop production information and potato disease and insect forecasting to producers and MAFRD staff for production of high quality grain/potatoes.

**Objective B: Position Manitoba as a Canadian leader in development of healthy foods (consumer-ready, functional foods, etc.)**

Expected Results:

- Advancement of Manitoba value-added products targeted at local marketplace.
- Help develop a crop/variety database identifying beneficial health components. Additional information on estimated quantification of the specific component in the crop/variety.

Actual Results:

- Helped Manitoba Agri-Health Research Network (MAHRN), under the Canadian Climate Advantage project, to illustrate the health benefits from Manitoba-grown soy and raw material, and metabolites.
- Helped MAHRN develop pinto bean flour that a local milling company ground.
- Through interactions with grower associations, helped MAHRN commercialize 12 healthier foods using Manitoba saskatoons, oats, carrots, buckwheat, flax, soybean, edible bean and sunflower hulls.

**Objective C: Increase the economic impact of secondary and tertiary businesses serving agricultural operations.**

Expected Results:

- Commercialization of new value-added projects adding to the Manitoba economy.
- Expand local industry through increased consumption of local products, either in raw or processed form.
- Faster registration of new genetics to allow industry to take advantage of economic opportunities.

Actual Results:

- Provided Manitoba market garden vegetable producers with agronomic assistance to increase yields and dollar returns per acre, allowing for more local produce at farmers' markets.
- Increased Manitoba farmers' access to the newest genetics in cereals, pulses and soybeans through support of lines adapted to Manitoba conditions at crop recommending committee meetings.

**Objective D: Empower commodity association capacity to strategize/drive more value from commodities.**

Expected Results:

- Increase awareness and activity by commodity associations towards commercialization of value-added projects made from Manitoba commodities.
- Develop plans (strategic/research) that move the associations toward sustainability and increased sector profitability.
- Develop surveillance/marketing programs in partnership with associations.

Actual Results:

- Developed a transition plan with the Manitoba Beekeepers' Association to help operate the apiary inspection program.
- Facilitated communication with the Vegetable Growers Association of Manitoba on MAHRN's work with vegetables.
- Participated in the Manitoba Canola Growers Association Plant Surveillance Initiative including development of a GF2 Growing Actions application.
- Helped the National Sunflower Association of Canada develop new varieties in sunflowers by helping with a National Agri-Innovation Program application
- Provided technical and advisory support to the Manitoba Wheat & Barley Growers Association to help the organization become operational.
- Provided technical and advisory support to the Manitoba Corn Growers Association with their Agri-Food Research and Development Initiative application, and the Manitoba Corn Initiative project.

**Objective E: Support Rural Manitoba's capacity to drive economic development.**

Expected Results:

- Contribute to increasing the numbers of northern gardens and the number of cold frames/greenhouses established in isolated communities to promote healthy eating.

Actual Results:

- Provided guidance and technical support for the establishment of five honeybee colonies in one of the isolated communities under the Northern Healthy Food Initiative.

**Objective F: Co-ordinate economic development support with Canada, municipalities and other players.**

Expected Results:

- Increase the number of collaborative projects throughout the province aimed at increasing the economic return to a district, municipality, region or interested stakeholders.

Actual Results:

- Worked with a number of industry stakeholders to seek additional value for commodities. Examples included commercialization of 12 healthier foods using Manitoba saskatoons, oats, carrots, buckwheat, flax, soybean, edible bean and sunflower hulls, and applied research on corn production with the goal of processing more grain into higher value products.

**Objective G: Increase bioproduct industry to $2 billion by 2020.**

Expected Results:

- Consistent quality product produced for bioproduct industry (hemp/flax), allowing for progression in industry growth.

Actual Results:

- Supported the work of the Agri-Innovation and Adaptation Knowledge Centre in bioprocessing development.

**PRIORITY 3 – AGRICULTURAL RESOURCE BASE**

**Objective B: Decrease phosphorus loss from agricultural operations.**

Expected Results:

- More efficient use of phosphorus and less non-point source addition of phosphorus into waterways.

Actual Results:

- Developed an updated recommendation system for phosphorus fertilization based on maintaining soils at a sustainable level through building low testing soils, maintaining medium testing soils and drawdown of soils with more than sufficient phosphorus levels.
- Soil fertility workshops were developed emphasizing the efficient and economical use of nutrients in current conditions and producers who are making informed choices.

**Objective C: Protect productive agricultural land base from non-agricultural uses.**

Expected Results:

- Greater detailed soil survey information that contains a report, maps and interpretive ratings for agroManitoba that will ensure the best possible decisions are made about land use and management.
- Greater understanding and availability of information on the suitability of the agricultural base for agricultural production.
- Greater producer knowledge that leads to improved management practices that preserve or enhance soil quality.

Actual Results:

- Reviewed the agriculture capability of Shilox soils.
- Completed soil survey reports in the RMs of Killarney-Turtle Mountain (1:50,000), Blanshard (1:50,000), Ritchot (1:20,000) and Springfield (1:20,000), in addition to the recent reports for the RMs of Roblin (1:50,000) and DeSalaberry (1:20,000). Soil survey fieldwork is underway in three RMs: the RM of Daly (1:20,000) with 1804 field pits and 797 laboratory analyses; the RM of Cornwallis (1:50,000) with 97 field pits and 57 laboratory analyses; and the RM of Langford (1:50,000) with 10 field pits and 80 laboratory analyses. Prepared reports and maps in the RMs of Langford (1:50,000) and Elton (1:20,000). Developed soil suitability criteria and mapping for deep burial of carcasses for anthrax. Soil salinity mapping took place in the RM of Elton.
- Because of the completed surveys, two new soil series were described – Moore Park and Lavinia.

**Objective D: Decrease net greenhouse gas emissions from agriculture.**

Expected Results:

- Increase carbon sequestration through better nutrient management (e.g., 4 R's: Right source, Right rate, Right time and Right place).

Actual Results:

- In co-operation with the Keystone Agricultural Producers and Canadian Fertilizer Institute (CFI), MAFRD held a 4R Nutrient Stewardship Field workshop demonstrating 4R techniques, principles, and emerging technologies. More than 100 people attended.

**PRIORITY 4 – SCIENCE, INNOVATION AND ADAPTATION**

**Objective A: Establish a Cereal Grain Centre of Excellence**

Expected Results:

- Potential partnerships/synergies developed working towards a Cereal Grain Centre of Excellence.
- Spring Wheat/Barley organization established.

Actual Results:

- Worked with interested parties to develop basic and applied research on corn production and to process more grain into higher value products. Provided technical and advisory support to the Manitoba Wheat & Barley Growers Association.

**Objective B: Develop the capacity of industry associations to increase the value, profitability and sustainability of producing and processing various commodities.**

Expected Results:

- Complete technical reviews of proposals to GF2 and other funding sources such as the Agricultural Sustainability Initiative and the Sustainable Development Innovations Fund.

Actual Results:

- Completed technical reviews of programs including ARDI, Manitoba Rural Adaptation Council (now called Prairie Improvement Network) and GF2.

**Objective C: Accelerate commercialization of research supported in Manitoba.**

Expected Results:

- Increase commercial outcomes from the agribusiness community resulting from targeted technical support.

Actual Results:

- Worked with interested parties to develop basic and applied research on corn production and to process more grain into higher value products.

**Objective D: Increase the resilience of agricultural production in Manitoba to climate variability.**

Expected Results:

- New/expanded/improved irrigation projects in Manitoba with capacity to mitigate dry periods.
- New/improved seasonal water retention ponds allowing mitigation of dry periods.
- Complete the Fall Soil Moisture Survey just prior to freeze-up.

Actual Results:

- Demonstrated agronomic practices at the 2013 Horticultural Diagnostic School that will increase the resilience of vegetable production to climate variability.
- Provided detailed soil information for five new and expanding irrigation operations, and irrigation mapping for three farms.
- Worked on water supply allocations on the Boyne and Assiniboine Rivers and the Assiniboine Delta Aquifer.
- Provided detailed soil information for the Integrated Watershed Management Plan for the LaSalle Redboine Conservation District.
- Completed the 2013 Fall Soil Moisture Survey and posted two maps online, outlining millimeters of water by depth and the percentage of available water-holding capacity from 105 sites located across agroManitoba.

## 4 (c) Crop Industry

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 2,603 | 33.00 | 2,663 | (60) | |
| (2) Other Expenditures | 718 | - | 1,146 | (428) | 1 |
| (3) Grant Assistance | - | - | 51 | (51) | 2 |
| **Total Sub-Appropriation** | **3,321** | **33.00** | **3,860** | **(539)** | |

1. *The variance is primarily due to expenditure management measures to limit discretionary purchases.*
2. *The under-expenditure is due to delays in finalizing an agreement with the beekeeping industry.*

## Appropriation 4 (d) – Agri-Environment

MAFRD delivers programming that supports the development of Manitoba's agriculture, agrifood and rural sectors while protecting agri-environmental resources.

The Agri-Environment Knowledge Centre provides leadership and advice on agri-environmental issues and represents Manitoba in regional and national discussions. Efforts are focused on the development of programs, policies, regulations and extension materials to facilitate the adoption of beneficial management practices (BMPs).

| **PRIORITY 3 – AGRICULTURAL RESOURCE BASE** |
|---|
| **Objective A: Increase the number of farm operations with Environmental Farm Plans.** |
| Expected Results:<br>• Increase the inherent value of the Environmental Farm Plan (EFP) to producers: collaborate with provincial commodity organizations to develop a more commodity-specific EFP.<br>• Increase the inherent value of the EFP to producers; integrate a Rural Emergency Plan into the EFP workbook.<br>• Increase national and global confidence in the EFP process: develop national EFP guidelines to ensure a national standard can be achieved through participation in the EFP. |
| Actual Results:<br>• Agri-Environment has had ongoing discussions with different commodity organizations to provide an EFP specific to commodities.<br>• The section on the Rural Emergency Plan is still under development and was not included in the workbook.<br>• Two hundred and ninety-two producers participated in the EFP program, 174 were renewing their EFPs and 118 were new to the program. This resulted in 70 new statements of completion, covering 92,542 acres of Manitoba's land base. There were also 124 renewed certificates representing 240,961 agricultural acres. Agri-Environment is developing a commodity-specific EFP in response to a specific request from a commodity group.<br>• Agri-Environment has had discussions with other provinces on opportunities and improvement of the EFP process. |

| **Objective B: Decrease phosphorus loss from agricultural operations.** |
|---|
| Expected Results:<br>• Increase adoption of BMPs that improve soil quality, soil fertility and soil conservation to increase crop yields and nutrient uptake and decrease nutrient loss to the environment.<br>• Increase training of manure management planners and commercial manure applicators to ensure compliance with environmental regulations.<br>• Provision of acreage requirements for new and expanding livestock operations and assessment of land suitability for manure application.<br>• Increase knowledge and adoption of BMPs related to manure management and mitigation of phosphorus loss such as manure storage structures, manure treatment systems, and farmyard runoff control. |
| Actual Results:<br>• Staff demonstrated soil management concepts to agronomists who attended Crop Diagnostic School, Soil and Water Management Field Clinics, and CanoLAB.<br>• Staff made presentations on soil, landscape and residue management at the Manitoba Agronomists conference and the Manitoba-North Dakota Zero Tillage Farmers Association annual workshop.<br>• Staff worked with the Soil Conservation Council of Canada to plan the 6th World Congress in Conservation Agriculture, highlighting soil conservation efforts in Manitoba.<br>• Staff participated in the delivery of the Agricultural Commodity Corporation Manure Management Planners and Commercial Manure Applicators courses and updates. |

- Staff contributed to seven Provincial Technical Review Committee reports for new or expanding livestock operations.
- Staff started developing a MAFRD land requirements calculator for new and expanding livestock operations.
- Along with Manitoba Conservation and Water Stewardship, staff developed infrastructure and management recommendations for new and expanding pig operations.
- Staff participated on the board of the Manitoba Livestock Manure Management Initiative.
- Staff conducted an investigation and participated in the hearing of an odour complaint registered with the Farm Practices Protection Board.
- BMP extension has reached over a thousand people via the *4R Nutrient Stewardship* Memorandum of Understanding with the Canadian Fertilizer Institute and Keystone Agricultural Producers.
- Staff reviewed and approved the following BMP projects under the Manure Management Financial Assistance Program: three increased manure storage ($479,425) and 17 manure storage repairs ($1,078,640) for 20 projects at $1,558,065 in provincial funding. There were seven manure treatment projects at $297,000 each for a total of $2,079,000 in federal dollars.
- Staff reviewed and approved the following projects under the Growing Assurance Environment program: 13 increased manure storage ($1,549,512), eight manure storage repairs ($622,508), two manure treatments ($218,562), five farmyard runoff controls ($218,092), five relocations of livestock ($170,444), and 33 extensive wintering of livestock ($491,331) for 66 BMP projects at $3,270,449 in Growing Forward funding.

**Objective D: Decrease net greenhouse gas emissions from agriculture.**

Expected Results:

- Increased adoption of BMPs that reduce greenhouse gas (GHG).
- Identification of trends in agricultural GHG emissions and potential reduction opportunities.
- Greater understanding of the environmental benefits and risks of beef production in Manitoba leading to identification of BMPs.

Actual Results:

- MAFRD staff discussed soil carbon sequestration BMPs with students, farmers and agronomists at five different workshops in the summer and fall of 2013.
- Staff reviewed Environment Canada's background data for the National Inventory Report and identified a continuation of the long-term trend toward increasing nitrogen fertilizer use and increasing soil $N_2O$ emissions. Staff promoted practices for efficient use of nitrogen fertilizer as part of the BMP extension activities under the *4R Nutrient Stewardship* Memorandum of Understanding.
- MAFRD participated in a project under the Agriculture Greenhouse Gases Program titled "Beneficial Management Practices for Greenhouse Gas Mitigation from Agroecosystems with Emphasis on Cow-Calf Non-confinement Production Systems in Western Canada." MAFRD staff contributed key information about the Manitoba beef production systems to this project, which is still ongoing. Preliminary results confirm that substantial environmental benefits come from perennial hay fields cultivated for the feeding of beef cows.

**Objective E: Develop an ecological goods and services framework to protect, enhance and restore natural capital in agroManitoba.**

Expected Results:

- A policy framework will help identify cost-effective ecological goods and services (EG&S) policy and program options for the province.
- Multiple environmental outcomes will be achieved through the implementation of a provincial EG&S policy framework.
- Effective models for EG&S will be identified for Manitoba.
- Increase adoption of BMPs that increase and sustain EG&S.

Actual Results:

- A policy framework has identified that a mixture of incentives, extension and regulation are required to effectively protect, enhance and restore natural capital in agroManitoba.

- Outcomes related to water quality and quantity, climate change mitigation and adaptation, and biodiversity are being achieved through targeted programming and extension.
- Agri-Environment is piloting new models for providing payment to landowners for EG&S. These include market-based instruments, incentive payments and other delivery mechanisms. Conservation auction has been identified as one potential delivery model for Manitoba.
- Through the GF2's Growing Assurance – EG&S program, eight BMPs were offered for implementation on the agricultural landscape, with an additional component providing funding to secure EG&S through innovative delivery mechanisms (including conservation auctions) and decision tools. In 2013/14, Agri-Environment approved 46 BMP projects for $615 thousand in funding, a conservation auction for $200 thousand and the purchase of surveying and GPS equipment for $99 thousand.

**PRIORITY 4 – SCIENCE, INNOVATION AND ADAPTATION**

**Objective D: Increase the resilience of agricultural production in Manitoba to climate variability.**

Expected Results:

- A greater awareness of climatic risks and research priorities, increased adaptive capacity, increased capacity for farm planning.
- Identification of priorities for adaptation planning.
- Improved knowledge for on-farm and regional water management to mitigate nutrient loss, drought and flooding risks.

Actual Results:

- MAFRD staff provided expert advice to the Manitoba Climate Data and Atlas Initiative, which resulted in the creation of maps of historical and projected future climate trends for Manitoba. These maps are valuable tools to illustrate the climate risks that can be expected in coming years and decades.
- The development of a project proposal for Natural Resources Canada on a cost/benefit study of climate change adaptation responses helped determine that both excess moisture and drought are priority climate risks to agriculture in Manitoba. In early 2014, the project was still waiting to receive final approval but significant groundwork and learning about climate risks across the Prairie provinces occurred in 2013/14.
- MAFRD staff played key roles on the organizing committee of the July 2013 Canadian Soil Science Society (CSSS) conference in Winnipeg, which highlighted agricultural water management. The CSSS conference included a site visit to the water retention and tile drainage site near Elm Creek. Additionally, with representation on both the steering committee and the science and technology committee of the Lake Winnipeg Stewardship Board project, which deals with on-farm water management, MAFRD is providing guidance toward carrying out the project. The goals of the project includes increased understanding of the affects of drainage and water retention on surface water quality and the potential for adoption of water retention as a BMP with many co-benefits including improved agronomics and economics.
- Staff carried out the Fall Soil Moisture Survey to map moisture conditions prior to freeze-up. This survey is an important input to provincial flood management.
- Staff worked with Manitoba Conservation and Water Stewardship as they developed a new drainage regulation.

## 4 (d) Agri-Environment

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 1,167 | 14.00 | 1,218 | (51) | |
| (2) Other Expenditures | 186 | - | 256 | (70) | |
| (3) Manure Management Financial Assistance Program | 3,033 | - | 3,579 | (546) | 1 |
| **Total Sub-Appropriation** | **4,386** | **14.00** | **5,053** | **(667)** | |

1. *The under-expenditure is mainly due to lower than anticipated costs incurred by producers for manure treatment and storage projects.*

## Appropriation 4 (e) – Less: Recoverable from Rural Economic Development Initiatives (REDI)

This sub-appropriation provides for the recovery of expenditures related to the Manure Management Financial Assistance Program and Meat Inspection Services Program.

| PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY |
|---|
| **Objective G: Increase the safety of food and food products from the farm to the back door of the retailer.** |
| Expected Results:<br>• The provincially operated meat inspection program meets consumer and operator expectations. |
| Actual results:<br>• Funding of $1.29 million was provided for meat inspection services in provincial abattoirs. |

| PRIORITY 3 – AGRICULTURAL RESOURCE BASE |
|---|
| **Objective B: Decrease phosphorus loss from agricultural operations.** |
| Expected Results:<br>• Improvement of the long-term viability, competitiveness, and environmental performance of the livestock industry in Manitoba. |
| Actual results:<br>• REDI funding of $1.35 million was provided through the Manure Management Financial Assistance Program to pig producers in Manitoba to build additional manure storage capacity and to repair manure storage structures. |

### 4 (e) Less: Recoverable from Rural Economic Development Initiatives

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Other Expenditures | (2,644) | - | (3,300) | 656 | 1 |
| **Total Sub-Appropriation** | **(2,644)** | **-** | **(3,300)** | **656** | |

1. *The variance is mainly due to lower than anticipated costs related to the Meat Inspection Services program from delays hiring staff.*

# Appropriation 5
# Agri-Food and Rural Economic Development

Provides front-line delivery and support of programs to enhance the profitability of family farms and agribusiness, and build vibrant rural communities.
This division also provides leadership and specialized support in the priority areas of farm business management, rural leadership, agricultural Crown lands, value-added processing, rural and community economic development, food processing, and food commercialization and marketing.

## Appropriation 5 (a) – Growing Opportunities Centres

Growing Opportunities (GO) Teams are the lead branch for Manitoba Agriculture, Food and Rural Development's (MAFRD) front line service delivery and extension. The branch provides services and delivers MAFRD programming across Manitoba that addresses all areas of MAFRD's mandate. The branch has specialists to assist clients in the following lines of business:

- Primary Agricultural Production Extension Advisory Services - Farm Production Advisors work with producers and industry in crop, livestock, forage, and agri-environment to increase farm production profitability and sustainability.
- Farm Business Management - Farm business management staff work with producers, agri-business, commodity organizations and financial institutions to enhance and sustain farm profitability by developing and delivering tools and advisory services in farm management.
- Rural Leadership and Organizational Development - GO Teams staff deliver and support programs in the development of rural leadership and organizational development. These include programs such as: 4-H, Ag Societies, Women's Institute, as well as other work in support of developing rural leadership and rural organizations.
- Ag Crown Lands (ACL) - The administration and management of agricultural Crown lands (ACL) is carried out by GO Teams on ACL lands across Manitoba. Staff works with producers to allocate these lands, and ensure optimal production.

| **PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY** |
|---|
| **Objective A: Increase productivity on the agricultural land base.** |
| Expected Results:<br>• Staff will extend and explain the significance of test plots to Manitoba growers using 12 public meetings and 90 one-on-one meetings.<br>• Community pasturelands (395,306 acres of agricultural Crown and rural municipality lands), will be managed in a sustainable agriculturally productive manner.<br>• In conjunction with the Crown Lands and Property Agency (CLPA), delivery of the agricultural Crown land (ACL) program involving 1,892 forage leases (1,420,041 acres); 81 cropping leases (11,146 acres); and 395 permits and special leases (49,689 acres) including management of $1.6 million tax dollars (conditional grant).<br>• Staff will deliver extension in 20 northern and remote communities in 2013. Extension events will focus on food production, food processing and safe food handling.<br>• Staff will support the Northern Healthy Food Initiative (NHFI) management committee objectives in guiding project development/activities in communities supported by NHFI. |
| Actual Results:<br>• Staff extended and explained the significance of test plots to Manitoba growers using 24 public meetings and tours and more than 200 one-on-one meetings.<br>• Community pasturelands (395,306 acres of agricultural Crown and rural municipality lands) continue to be managed in a sustainable agriculturally productive manner. |

- In conjunction with CLPA, Go Centres delivered the ACL program, which involved 1,892 forage leases (1,420,041 acres); 81 cropping leases (11,146 acres); and 395 permits and special leases (49,689 acres), including management of $1.6 million tax dollars (conditional grant payments in lieu of taxes).
- Five MAFRD staff delivered 24 extension events in 21 northern communities. Areas of training included gardening, soil management, greenhouse development and management, raising chickens, beekeeping, and the canning/preserving of vegetables, fish and poultry.
- In 2013, there were 1083 gardens and 1249 identified gardeners in northern communities. In communities NHFI supported, there were more than 284,000 lbs. of vegetables produced and consumed locally. Eleven communities had 23 families involved with beekeeping and raising and processing chickens.
- Thirty-two greenhouses continue to sustain food operations in northern Manitoba.
- In 2013, NHFI and Heifer International supported 22 new food development and training projects.

**Objective B: Stabilize the production capacity and profitability of farm businesses to withstand weather and market-related risks.**

Expected Results:

- Through consultation staff will deliver crop agronomy best practice, livestock production and management training.
- Staff will assist with pest monitoring for bertha armyworm (40 locations); diamondback moth (20 locations); grasshoppers (15 locations); and canola disease survey (40 locations). Staff will extend and inform local producers of the significance of the results through meetings, newsletters and one-on-one contacts.
- Staff will deliver 18 to 30 extension meetings in the fall of 2013 to educate beef producers in best practices.
- Farm business management staff through the Bridging Generations Initiative program (BGI) will continue to consult with active clients under this program and deliver 10 extension events targeted at 450 BGI clients.
- Staff will deliver two regional and ten local grain marketing workshops to 100 Manitoba producers.

Actual Results:

- Through consultations, staff delivered training in crop agronomy best practice plus livestock production and management.
- Staff helped with pest monitoring for bertha armyworm (89 locations); diamondback moth (50 locations); grasshoppers (50 locations); and canola disease survey (50 locations). Staff extended and informed local producers of the significance of the results through meetings, newsletters and one-on-one contacts.
- In the fall and winter, staff delivered 32 extension meetings to 1,597 beef producers in Manitoba.
- Farm business management staff continued to consult with active clients through BGI and delivered 10 extension events targeted at 450 BGI clients.
- Staff delivered two provincial grain marketing webinars and a grain marketing presentation at Manitoba AG Days to more than 150 producers.
- Staff continued to develop the Lake Manitoba forage restoration plots sites at four locations in the Lake Manitoba complex: Delta Marsh, Langruth, Crane River and Vogar.
- A Provincial Pasture Tour was developed and delivered to 95 clients in the Interlake.
- Provincial Hay and Silage Day was developed and delivered to 100 clients in the Neepawa area.

**Objective D: Increase the number of economically viable farms by 30% by 2020.**

Expected Results:

- Farm business management staff will prepare 2014 crop and livestock cost-of-production estimates, and extend the information through avenues such as Manitoba Ag Days, one-on-one consultations and the MAFRD website.
- Staff will work with producers using AgriStability and other business risk management programs through one-on-one consultations to improve producer understanding of the programs and to maximize payouts to producers.

- As requested, staff will provide consultative services for up to 25 farm mediation cases to support the Farm Mediation Board process.
- Staff will deliver new Growing Forward 2 (GF2) programming in the farm business development and management areas.

Actual Results:

- Farm business management staff prepared 2014 crop and livestock cost-of-production estimates, and extended the information through avenues such as Manitoba Ag Days, Crop Connect webinars, one-on-one consultations and the MAFRD website. Staff added new and updated cost-of-production budgets in grains/oilseeds/pulses, organic crops, beef cow/calf, forages, forage seed, sheep, hogs, potatoes and straw biomass.
- GO Centres added new farm management calculators in the area of land values, grain drying, building and bin rentals, feed costs, fence costs, financial ratios (ratio plan), retirement savings, and a Sclerotinia treatment in canola economic decision tool.
- Staff worked with producers using AgriStability and other business risk management programs through one-on-one consultations to improve producers' understanding of the programs.
- As required, staff provided farm financial consultative services for 25 farm mediation cases to support the Farm Mediation Board process.
- Staff helped develop and deliver the new GF2 programming in the farm business development and management areas, including a Young Farmer conference that had 50 participants.
- From December 2013 to March 2014, the Forage/Livestock horizontal team developed and delivered four monthly Cattle Chat webinars.

**PRIORITY 2 – ECONOMIC OPPORTUNITIES**

**Objective A: Increase the value of food processing in Manitoba to $5 billion by 2020.**

Expected Results:

- Staff will deliver the 2014 Direct Farm Marketing Conference partnering with the Prairie Fruit Growers Association and the Farmers' Market Association of Manitoba.
- Staff will continue to develop messages, organize events and support other partner organizations to increase the public's knowledge of agriculture.

Actual Results:

- Staff worked with the Prairie Fruit Growers Association and the Farmers' Market Association of Manitoba to deliver the 2014 Direct Farm Marketing Conference.
- Staff continued to develop messages, organize events and support other partner organizations to increase the public's knowledge of agriculture.

**Objective E: Support Rural Manitoba's capacity to drive economic development.**

Expected Results:

- Staff will work with 10 area 4-H Councils to provide leadership and organization development.
- Hometown and First Impression Community Exchange used to promote rural main street revitalization.
- Eighty rural community events will be held in rural communities.
- Ten regional economic development partnerships will identify strategic economic opportunities and initiatives.
- Results of three research projects will be available to community leaders.
- Five new information resources or tools will be available to community organizations.
- Two thousand youth will have developed organization and leadership skills though the 4-H program.
- Three hundred community members will have increased knowledge and skills to lead organizations.
- Fifteen organizations will have assessed their organizational capacity and taken action on opportunities to further their organization.

Actual Results:

- Staff worked with 10 area 4-H councils to provide leadership and organization development.

- Throughout the year, MAFRD supported and participated in many 4-H gala events across Manitoba, such as the 100 year anniversary and Manitoba as the Canadian birthplace of 4-H.
- MAFRD reviewed and strengthened the Youth Protection Program (YPP) to ensure protection of youth in 4-H.
- The Hometown Manitoba and First Impression Community Exchange were used to promote 100 rural main street revitalization projects.
- Eighty community events were held in rural communities such as St. Jean Farm Days, Farm Focus, Manitoba Ag Days, Open Farm Day and the Direct Farm Marketing Conference.
- Ten regional economic development partnerships identified strategic economic opportunities and initiatives within each GO Team. One example is the Southwest Regional Development Corporation Rural Business Succession Initiative and the Innovation Initiative.
- Results of three research projects were made available to community leaders.
- Five new information resources or tools were available to community organizations including the organizational assessment tool.
- Two thousand youth developed organization and leadership skills through 4-H participating in project skill completion and communication competitions and events at club, area, provincial and national levels.
- Three hundred and fifty community members increased their knowledge and leadership skills through events such as Manitoba Farm Women's Conference, Ag Society events, Women's Institute events and the Manitoba 4-H Leadership Conference.
- Twenty-five organizations assessed their organizational capacity and took action on opportunities to further their organization.

**PRIORITY 3 – AGRICULTURAL RESOURCE BASE**

**Objective A: Increase the number of farm operations with Environmental Farm Plans**

Expected Results:

- Staff will offer a minimum of 20 Environmental Farm Plan (EFP) workshops through GF2.

Actual Results:

- Staff delivered EFP workshops through GF2 that resulted in the issuing of 70 new certificates and the renewal of 124 certificates. The new certificates covered 92,542 acres, while the renewed certificates covered 240,961 acres.
- In 2013/14, the EFP program had 292 producers attend workshops, which included 174 returning clients and 118 new clients. Staff distributed 278 workbooks.

**Objective C: Protect productive agricultural land base from non-agricultural uses.**

Expected Results:

- Staff will provide ACL program extension to more than 100 beef producers.
- Staff, through one-on-one consultation with Crown land leaseholders, will extend forage improvement practices to increase grazing capacity.
- Work with respective government departments and industry stakeholders in the federal divestiture of community pasturelands with a mandate to conserve and protect these lands via managed grazing.
- Facilitate the incorporation of lands purchased by the province, through the Shoal Lakes Voluntary Buyout Program, into the agricultural Crown lands leasing program, to ensure opportunities are captured which will utilize these lands in support of the agricultural base in Manitoba.
- Expand opportunities in Traditional Use Plans by identifying or making available ACLs for aboriginal use whilst upholding the goals and objectives of the Provincial Land Use Policies and Crown lands; assist in resolving outstanding land issues.

Actual Results:

- Staff provided ACL program extension to beef producers.

- Through one-on-one consultation with Crown land leaseholders, staff extended forage improvement practices to increase grazing capacity.
- Staff worked with respective government departments and stakeholders in the divestiture of community pasturelands with a mandate to conserve and protect these lands, via managed grazing through the creation and support of the Association of Manitoba Community Pastures. Staff also worked with pasture patrons to develop a business plan that will continue grazing opportunities on all 24 pastures.
- Managed the incorporation of lands the province purchased through the Shoal Lakes Voluntary Buyout program into the ACL leasing program, to ensure that these lands will continue to support agriculture in Manitoba.
- Staff expanded opportunities in Traditional Use Plans by identifying or making ACL available for aboriginal use, while upholding the goals and objectives of the Provincial Land Use Policies and Crown lands and helping to resolve outstanding land issues.

**PRIORITY 4 – SCIENCE, INNOVATION AND ADAPTATION**

**Objective B: Develop the capacity of industry associations to increase the value, profitability and sustainability of producing and processing various commodities.**

Expected Results:

- Staff will promote and deliver GF2 programming.
- Implementation of five strategic projects; five market development activities; and risk management tools through GF2.

Actual Results:

- Staff promoted and delivered GF2 programming.
- Agricultural organizations prepared to carry out five strategic projects, five market development activities, and risk management tools through GF2.

## 5 (a) Growing Opportunities Centres

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 9,644 | 137.50 | 10,240 | (596) | |
| (2) Other Expenditures | 3,527 | - | 4,446 | (919) | 1 |
| (3) Grant Assistance | 358 | - | 376 | (18) | |
| **Total Sub-Appropriation** | **13,529** | **137.50** | **15,062** | **(1,533)** | |

1. *The decrease is mainly due to expenditure management measures to limit discretionary purchases and to maintain vacant positions, which has also resulted in reduced operating costs.*

## Appropriation 5 (b) – Value-Added and Rural Economic Advancement

Value-Added and Rural Economic Advancement (VAREA) Knowledge Centre is the lead agent for the province in rural development and the development and competitiveness of rural agribusiness. VAREA provides services and programs that:

- Build community capacity to lead and realize economic advancement
- Increase the interest and capacity of rural entrepreneurs and business owners to establish, grow and transition agriproducts businesses in rural areas
- Enable co-ordinated support for rural development to rural communities
- Develop innovative approaches to rural economic and business development that create jobs and drive the economy.

The branch offers rural development services and information, agribusiness development services and information, project financing and co-ordination among rural development services.

| **PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY** |
|---|
| **Objective C: Provide Manitoba's producers and rural businesses reasonable access to credit and assist young farmers in the inter-generational transfer of assets.** |
| Expected Results:<br>• Two hundred seventy-five young and beginning farmers will participate in extension events.<br>• A new Transition Planning Guide for Agribusiness resource will be available to Manitoba farmers.<br>• One hundred young farmers will receive a management training credit on their MASC loan. |
| Actual Results:<br>• More than 300 young and beginning farmers participated in a variety of extension events throughout Manitoba, including more than 90 at the Keystone Agricultural Producers Young Farmer conference, which GO Branch staff supports.<br>• A new Transition Planning Guide for Agribusiness was made available to Manitoba farmers in print and on our website.<br>• One hundred and thirty-six young farmers received $210.2 thousand through management training credits on 167 MASC loans. |

| **Objective D: Increase the number of economically viable farms by 30% by 2020.** |
|---|
| Expected Results:<br>• Five thousand Manitoba farmers will participate in business management workshops or training events.<br>• Three new resources will be made available to Manitoba farmers.<br>• The Gaining Ground Agribusiness Assessment tool will be available online.<br>• Over the three-year project (2013-16), national occupational codes as well as supply and demand models will be developed to help primary agriculture producers to attract employees to their farm business.<br>• Systems and program details will be finalized for delivery of Growing Forward 2 (GF2) business development programs.<br>• Manitoba farmers will have increased awareness of new products, services and information related to the agricultural production and management of farm businesses. |
| Actual Results:<br>• More than five thousand Manitoba farmers participated in business management workshops and training events, which included Manitoba Ag Days, the Young and Beginning Farmers Conference, and a Marketing and Cost-of-Production Planning webinar series.<br>• Three new resources were made available to Manitoba farmers including the Transition Planning Guide for Agribusiness, Cost-of-Production guides and various online calculators that are available on the MAFRD website.<br>• The Gaining Ground Agribusiness Assessment tool was made available online as a fillable PDF. An interactive version with reporting capabilities will be made available in 2014/15. |

- Over the three-year project (2013-16), national occupational codes as well as supply and demand models, are being developed to help primary agriculture producers attract employees to their farm business. Led by the Canadian Agricultural Human Resource Council, MAFRD is a provincial partner; their first meeting to begin the project was held in March 2014.
- System and program details were finalized for delivery of GF2 business development programs. Programs have been rolled out and applications are being processed.
- Manitoba farmers have increased awareness of new products, services and information related to the agricultural production and management of farm businesses through printed materials, MAFRD's website and extension events.

**PRIORITY 2 – ECONOMIC OPPORTUNITIES**

**Objective A: Increase the value of food processing in Manitoba to $5 billion by 2020.**

Expected Results:

- Build rural capacity for entrepreneurship through client counselling and partnering on 30 extension events such as Take the Leap, business-related workshops, business development month activities, business start workshops, etc.
- Work with 250 rural business clients to assist with new start ups, retention and expansion efforts, with priority given to agribusiness and value added clients.

Actual Results:

- Rural entrepreneurs and youth received information and developed awareness of business concepts through 18 events such as Business Start, Take the Leap, Entrepreneur Boot Camp, Great Manitoba Food Fight, Manitoba Ag Days, and workshops such as Preparing Business for Growth and Human Resource Management.
- Food processing entrepreneurs and businesses increased their capacity through information and program assistance. More than 109 business managers and entrepreneurs received business information and advice with an additional 85 provided with program information and assistance.
- Business clients reported the province's investment would create more than 395 new jobs. At least three new businesses were established.

**Objective C: Increase the economic impact of secondary and tertiary businesses serving agricultural operations.**

Expected Results:

- Five hundred entrepreneurs and business owners will receive business management information.
- Fifty clients with information and contacts to programs and services useful to meet their business needs.
- Seven hundred and fifty businesses and organizations will receive three issues of Rural E-Biz newsletter.

Actual Results:

- Through extension education events, 412 business owners and entrepreneurs received business management information and skill development on topics such as growing your business, managing human resources and marketing.
- Program information and referrals were provided to more than 85 people.
- In addition, business management, program information and local businesses were highlighted through three issues of the Rural Biz E-Newsletter, which was distributed to 750 business owners, entrepreneurs and service providers.

**Objective E: Support Rural Manitoba's capacity to drive economic development.**

Expected Results:

- Ten regional economic development partnerships will identify strategic economic opportunities and initiatives.
- The results of three research projects will be available to community leaders.
- Five new information resources or tools will be available to community organizations.
- Increase capacity to drive economic development through the presentation of four specific

| |
|---|
| training opportunities for economic development practitioner, i.e. Community Enterprise Development tax credit, Housing Pathfinder, regional economic analysis tools, business retention and expansion. |
| Actual Results:<br>• More than 49 local governments participated in 16 community economic development planning workshops. Of these, 38 municipalities and First Nations participated in the Regional Economic Analysis Process to identify regional strengths and strategies to grow their local economies.<br>• Municipalities and local organizations completed 100 projects to enhance the main street public places and building exteriors in rural Manitoba. MAFRD invested $173.7 thousand, which leveraged more than an additional $2.1 million in capital investment for Hometown Manitoba projects.<br>• Community engagement and knowledge transfer resulted from the completion of two research projects, 15 conferences and workshops, seven outreach projects and five community events, which were all supported by the $110 thousand grant provided to the Rural Development Institute. The provincial investment was leveraged more than 3.2 times in 2013/14.<br>• A foreign direct investment brochure, an "Attracting Investment to Rural Manitoba" information package, a business plan template, an overview to starting a business and a start-up business assessment tool were developed.<br>• Through the Manitoba Planning Conference, Regional Forums and networking events, and local meetings, local leaders and service providers received training and awareness of best practices in community economic development. |

| **Objective F: Co-ordinate economic development support with Canada, municipalities and other players.** |
|---|
| Expected Results:<br>• Community leaders and economic development agencies will co-operate on economic development projects and initiatives.<br>• Ten to 15 clients will be directed to appropriate programs and resources.<br>• Ten Partner 4 Growth projects with regional economic initiatives will be completed. |
| Actual Results:<br>• Regional planning resulted in 42 economic development projects being submitted under Partner 4 Growth.<br>• One application and four inquiries regarding how the Community Enterprise Development tax credit were handled.<br>• Program information and best practices were promoted through regular communication to 115 economic development practitioners, 89 Chambers of Commerce, 35 Community Futures employees, 110 municipal officials and 93 local governments.<br>• Fifteen Partner 4 Growth projects were completed, affecting 105 municipalities and three First Nations communities. The provincial investment of $108 thousand leveraged an additional $290 thousand for projects. The program resulted in the identification of opportunities for five regions in Manitoba and the realization of economic opportunities in 15 regions of Manitoba. |

## 5 (b) Value-Added and Rural Economic Advancement

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 1,748 | 28.00 | 2,319 | (571) | 1 |
| (2) Other Expenditures | 542 | - | 909 | (367) | 2 |
| **Total Sub-Appropriation** | **2,290** | **28.00** | **3,228** | **(938)** | |

1. *The under-expenditure is primarily due to expenditure management measures to defer filling vacant positions.*
2. *The variance is mainly due to expenditure management measures to limit discretionary purchases and to maintain vacant positions, which has also reduced operating costs.*

## Appropriation 5 (c) – Food Development Centre

The Food Development Centre (FDC) is a Special Operating Agency of the Province of Manitoba and operates under the authority of Manitoba Agriculture, Food and Rural Development (MAFRD). Its mandate is to assist the agrifood industry in the development and commercialization of conventional and functional foods and ingredients.

| PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY |
|---|
| **Objective G: Increase the safety of food and food products from the farm to the back door of the retailer.** |
| Expected Results:<br>• The Hazard Analysis and Critical Control Point System (HACCP) co-ordinator will complete five HACCP plans for Manitoba food processors. |
| Actual Results:<br>• Eight HACCP plans for Manitoba food processors (seabuckthorn snack bar, potato flour/tapioca starch mix, wild rice leaf tea, wild rice pre-cooked, potato starch, flax project, vegetable puree, and chickpeas) and one HACCP plan for a British Colombia food processor (muesli) were developed. Five client HACCP plans were revised and updated due to changes in formulations and processes. The HACCP co-ordinator provided consultation to 14 clients, which resulted in recommendations for changes to HACCP plans. |

| PRIORITY 2 – ECONOMIC OPPORTUNITIES |
|---|
| **Objective A: Increase the value of food processing in Manitoba to $5 billion by 2020.** |
| Expected Results:<br>• Co-ordinate with the manufacturer of three new products in pilot plant.<br>• Create five new food products and ingredients that will be test marketed in retail or food service.<br>• Create 200 nutrition labels for food products. |
| Actual Results:<br>• Five new products were produced in the pilot plant (a quick cooking grain, ethnic dry mix, two muffins, and a nutrition bar).<br>• Nineteen new food products and ingredients were created for retail or foodservice test marketing. The products include four pulse snacks, a pie crust, two nutrition bars, two multi grain blends, a specialty oil, two hemp snacks, a fruit/cereal beverage, a breaded appetizer, a seasoned bakery product, a ready-to-eat fish product, a quick cooking grain, a dried fruit ingredient, and a pulse ingredient.<br>• Created 131 nutrition labels for food products. |

| **Objective B: Position Manitoba as a Canadian leader in development of healthy foods (consumer-ready, functional foods, etc.)** |
|---|
| Expected Results:<br>• Three prototype products will include health claims.<br>• Manufacture three new healthy products in the pilot plant. |
| Actual Results:<br>• Eighteen prototype products included health claims (four pulse snacks, two hemp snacks, a hemp ingredient, a gluten-free pie crust, an oil seed derived bioactive, a specialty oil, a cereal/fruit ingredient, a quick cooking grain, a cereal/fruit beverage, a nutrition bar, two multi grain/pulse blends, a dried prairie fruit ingredient, and a flax muffin).<br>• Three new healthy products were produced in the pilot plant (quick cooking grain, prairie fruit puree, and a flax muffin). |

| **Objective C: Increase the economic impact of secondary and tertiary businesses serving agricultural operations.** |
|---|
| Expected Results: |
| • Create a prototype for a food product using flax meal, fruit pulp or egg shells. |
| Actual Results: |
| • Five prototype products were created using fruit pulp (two nutrition bars, a beverage, and two dry ingredients). |

| **Objective D: Empower commodity association capacity to strategize/drive more value from commodities.** |
|---|
| Expected Results: |
| • Develop value added food products using three commodities as ingredients. |
| Actual Results: |
| • Value-added products (side dishes, an appetizer, snacks, a specialty oil, bioactive extract, a quick cooking grain, nutrition bars, a beverage, and dried ingredients) were developed using eight commodities (pulses, soybeans, hemp, canola, sunflowers, wild rice, barley and a prairie fruit). |

| **PRIORITY 4 – SCIENCE, INNOVATION AND ADAPTATION** |
|---|
| **Objective B: Develop the capacity of industry associations to increase the value, profitability and sustainability of producing and processing various commodities.** |
| Expected Results: |
| • Create a customer-ready food product using pulses or their fractions as ingredients. |
| Actual Results: |
| • Two customer-ready multi-grain/pulse blends were created for a Manitoba company with global markets. Two nutrition bars also included pulses. |

| **Objective C: Accelerate commercialization of research supported in Manitoba.** |
|---|
| Expected Results: |
| • Commercialize a food product using prairie fruits.<br>• Present research results at two conferences.<br>• Promote technology transfer to three Manitoba companies so the results can be commercialized. |
| Actual Results: |
| • A prairie fruit puree was toll processed for a Saskatchewan company and a nutrition bar with prairie fruit was commercialized.<br>• Three presentations were made at conferences (two international, one provincial) to share research findings on fish use, specialty tea, and post harvest prairie fruit technologies. MAFRD did a research presentation to a major United States coating manufacturer on the use of pulse ingredients in batter and breading coatings.<br>• Technology was transferred to four Manitoba companies to enable commercial production of a gluten-free pie crust, a seasoned bakery product, two hemp snacks, and a quick cooking grain. |

## 5 (c) Food Development Centre

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Grants/Transfer Payments | 2,020 | - | 2,020 | - | |
| **Total Sub-Appropriation** | **2,020** | - | **2,020** | - | |

## Appropriation 5 (d) – Food Commercialization and Marketing

The Food Commercialization and Marketing Knowledge Centre (FC&M) provides services to entrepreneurs, food processors and organizations to strengthen the competitive position of Manitoba's agriculture and agrifood industry in the domestic and global marketplace. FC&M provides marketing and business management services and information, facilitates industry promotion through collaboration and alliances, and partners in building a diversified rural Manitoba. Delivery of programs and services is supported by training events, resource materials, outreach missions and other resources.

| **PRIORITY 1: FOOD SECURITY, PRODUCTION AND SAFETY** |
|---|
| **Objective D: Increase the number of economically viable farms by 30% by 2020.** |
| Expected Results:<br>• Fifty farms will gain knowledge of best practices in direct farm marketing through the Brandon University course, study tour and Direct Farm Marketing Conference.<br>• Sixty farms will host 4,500 Open Farm Day visitors throughout the province in 2013.<br>• Relationships will be established with 20 new ingredient buyers. Three opportunity crops will be identified and planted and three farms will develop value added products. |
| Actual Results:<br>• One hundred and twenty-four participants attended the Direct Farm Marketing Conference. Ten expert speakers presented examples and best practices information for direct marketers.<br>• In 2013, 63 Open Farm Day venues welcomed 7,009 visitors.<br>• Two farms worked with MAFRD to plant two different opportunity crops, which have been processed into value-added products. |

| **Objective G: Increase the safety of food and food products from the farm to the back door of the retailer.** |
|---|
| Expected Results:<br>• Open Farm Day host farms, farmers' market vendors and rural culinary venues will be aware of and comply with food safety standards. |
| Actual Results:<br>• FC&M staff inspected all 63 Open Farm Day venues to make sure food safety standards were being followed. Workshops targeted at direct marketers were held in Portage la Prairie, Steinbach, and Teulon. The workshops included presentations about food safety and provided an opportunity for clients to ask food safety experts questions. Ninety-two clients attended these workshops. |

| **PRIORITY 2: ECONOMIC OPPORTUNITIES** |
|---|
| **Objective A: Increase the value of food processing in Manitoba to $5 billion by 2020.** |
| Expected Results:<br>• Ten Manitoba food entrepreneurs will compete in the Great Manitoba Food Fight (GMFF). Two new food products will enter the market within 18 months of participating in the competition and four entrepreneurs will commence and/or continue working with FC&M to develop their products and businesses.<br>• To enhance Manitoba entrepreneurs' knowledge of marketing to increase their likelihood of effectively accessing the retail grocery and/or foodservice markets.<br>• Six Manitoba agrifood companies will work with staff to attend Canadian trade shows to identify markets for their food products and ingredients. |
| Actual Results:<br>• Ten Manitoba entrepreneurs competed in the GMFF, held in co-operation with Assiniboine Community College's Manitoba Institute of Culinary Arts in Brandon. Four of the competitors had products that were retail ready and immediately secured listings of eight new items with two of |

the judges (one from the grocery sector and the second from the culinary sector). Because of this event, two competitors will continue working with and four competitors will begin working with FC&M.
- FC&M held a workshop in conjunction with the GMFF that provided instructions to 28 competitors and other food clients about how to communicate with leaders in the grocery and food service sectors.
- FC&M partnered with Manitoba Trade and Investment to help six small to medium-sized Manitoban companies attend and showcase their food products at SIAL Canada in Toronto.

**Objective B: Position Manitoba as a Canadian leader in development of healthy foods (consumer-ready, functional foods, etc).**

Expected Results:
- MAFRD will identify many companies that can participate in market access activities to build the market for Manitoba products in other provinces and countries.
- Three companies will enter the functional food industry with new products in 2013/14.

Actual Results:
- MAFRD has identified several small to mid-sized companies to participate in market access activities, such as shared booths at Canadian-based tradeshows that target the grocery and/or culinary sectors. MAFRD worked independently as well as in collaboration with the Manitoba AgriHealth Research Network (MAHRN) to identify six companies to participate in market access activities.
- Two companies entered the functional food industry with new products. In collaboration with MAHRN, several others have created new food products.

**Objective C: Increase the economic impact of secondary and tertiary businesses serving agricultural operations.**

Expected Results:
- One secondary or tertiary agrifood business will add a new product to their line.
- Follow-up with five opportunities from other countries considering investment in Manitoba.
- The number of organic operators will increase by seven per cent per year.

Actual Results:
- A processor of organic flour worked with the department to add cold-pressed Camelina Oil to its product line.
- FC&M followed up with three prospects (two from India, and one from Korea) that were considering investment in Manitoba. Negotiations continue between the proponents from these countries and Manitoba private companies.
- Sales of organic food products have remained flat over the past year in response to the recession and therefore the number of organic operators remained flat. The sector is again beginning to experience growth.

**Objective D: Empower commodity association capacity to strategize/drive more value from commodities.**

Expected Results:
- Thirty entrepreneurs will attend workshops to learn about adding value to Manitoba crop and livestock production.
- Increased consumer awareness and sales of Manitoba products and ingredients available in the retail and foodservice markets through the Buy Manitoba program.
- An action plan that identifies at least two key actions that will overcome barriers to growth in each of the five main subsectors of the Manitoba organic sector.

Actual Results:
- Ninety-two entrepreneurs attended workshops in Portage la Prairie, Teulon, and Steinbach to learn about adding value to Manitoba crop and livestock production.
- Consumer awareness of the Buy Manitoba program reached 30 per cent in 2013, with a presence in over 60 retail grocery and restaurant outlets. Ten participating companies have added 64 direct

full time equivalent jobs with estimated total processing value of $16.9 million.

- Manitoba Organic Alliance (MOA) completed their action plan which had at least two actions for the horticulture, field crop and livestock sub-sectors. FC&M also developed common actions that ran across commodities. MOA is now implementing this plan.

**Objective E: Support Rural Manitoba's capacity to drive economic development.**

Expected Results:

- Present to 15 potential clients per marketing workshop with four of those participants becoming MAFRD clients.
- Increase Manitoba entrepreneurs' knowledge of marketing to increase their likelihood of effectively accessing the retail grocery and/or foodservice markets. Increase the number of Manitoba products and ingredients being offered to the retail and food service markets.

Actual Results:

- A meat processing workshop was held at the Food Development Centre in Portage la Prairie and had 15 participants. In addition, workshops for direct farm marketers, held in Teulon and Steinbach, had 77 participants.
- A workshop was held in conjunction with the GMFF providing instruction to 28 GMFF competitors and other food clients about how to communicate with leaders in the grocery and food service sectors.

**PRIORITY 4: SCIENCE, INNOVATION AND ADAPTATION**

**Objective B: Develop the capacity of industry associations to increase the value, profitability and sustainability of producing and processing various commodities.**

Expected Results:

- Government and industry will work together to address marketing and production issues for small acreage crops.

Actual Results:

- At Manitoba Ag Days 2014, MAFRD worked together with the Manitoba Grass-Fed Beef Association to host a workshop for beef producers interested in adding value to their products through grass finishing. Forty attendees learned about direct marketing, the European market for beef, cost-of-production and creating a quality meat product.

**Objective C: Accelerate commercialization of research supported in Manitoba.**

Expected Results:

- Members of Manitoba's food industry will gain a competitive advantage with respect to their level of awareness of Manitoba consumer behavior and will be able to adapt their marketing and products faster than companies who are not local producers.

Actual Results:

- Consumer behaviour presentations were made to 201 clients at the Direct Farm Marketing Conference, as well as at workshops held in Steinbach and Teulon.

## 5 (d) Food Commercialization and Marketing

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (1) Salaries and Employee Benefits | 746 | 11.00 | 927 | (181) | |
| (2) Other Expenditures | 178 | - | 278 | (100) | |
| **Total Sub-Appropriation** | **924** | **11.00** | **1,205** | **(281)** | |

## Appropriation 5 (e) – Infrastructure Development Grants

This program facilitates infrastructure projects which enhance sustainable economic growth and job creation in various communities in Manitoba.

| PRIORITY 2: ECONOMIC OPPORTUNITIES |
|---|
| **Objective E: Support Rural Manitoba's capacity to drive economic development.** |
| Expected Results:<br>• Development of municipal infrastructure (sewer/water/roads) to service new or expanding enterprises in rural Manitoba deemed of strategic importance to the regional/local economy.<br>• Attraction of two new or expanded enterprises. |
| Actual Results:<br>• The second and final contribution of $625 thousand was provided to Maple Leaf Foods for their on-site wastewater pre-treatment plant as part of their Lagimodiere Boulevard package meats facility expansion in Winnipeg. This expansion resulted in a $95 million investment in Manitoba and the creation of approximately 350 new full time equivalent positions for operators and labourers.<br>• Provided $390 thousand to 6381023 Manitoba Ltd (True North Foods) to build and operate a federally inspected cattle slaughter and beef processing facility in Carman, Manitoba that will benefit local cattle producers and allow for the export of beef products to national and international markets. The facility development and licensing is still in progress and is expected to be operational at the federal level in 2014/15. True North Foods has spent approximately $10.5 million on the project so far. |

### 5 (e) Infrastructure Development Grants

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Grants/Transfer Payments | 1,015 | - | 1,015 | - | |
| **Total Sub-Appropriation** | **1,015** | - | **1,015** | - | |

## Appropriation 5 (f) – Food Industry Development

This program provides support to Manitoba's food industry sector and fosters sustainable development and investment in that sector.

| PRIORITY 2 – ECONOMIC OPPORTUNITIES |
|---|
| **Objective A: Increase the value of food processing in Manitoba to $5 billion by 2020.** |
| Expected Results:<br>• Thirty per cent of Manitoba consumers aware of the Buy Manitoba brand.<br>• Ten per cent increase in market share of Manitoba food products. |
| Actual Results:<br>• An independent survey of 1,000 Manitobans in September 2013 found that 30 per cent of Manitoba's primary shoppers are aware of the Buy Manitoba program.<br>• It is estimated the program has achieved a 5.3 per cent increase in the market share of Manitoba food products within the retail grocery sector alone. This is based on a measured sales increase of 2.4 per cent in the program's primary retail grocery partner, which possesses 30 per cent market share in the province plus sales growth among independent grocery retailers. |

### 5 (f) Food Industry Development

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Food Industry Development | 336 | - | 359 | (23) | |
| **Total Sub-Appropriation** | **336** | **-** | **359** | **(23)** | |

## Appropriation 5 (g) – Less: Recoverable from Rural Economic Development Initiatives (REDI)

This sub-appropriation provides for the recovery of salary and operating expenditures related to departmental value-added and rural economic development activities, capital infrastructure programs and the Partner 4 Growth program from Rural Economic Development Initiatives.

| PRIORITY 2 – ECONOMIC OPPORTUNITIES |
|---|
| **Objective E: Support Rural Manitoba's capacity to drive economic development.** |
| Expected Results:<br>• Support is provided for the development and growth of rural and northern Manitoba communities. |
| Actual Results:<br>• Provided $992.6 thousand for the salaries and operating costs of staff members delivering value-added and rural development activities in rural and northern Manitoba.<br>• Contributed $318 thousand through the Infrastructure Development Grants program toward the expansion of the Maple Leaf Foods processing plant on Lagimodiere Boulevard and the development of a federally inspected cattle slaughter and beef processing facility in Carman, Manitoba.<br>• Provided $335.5 thousand funding to the Manitoba Food Processors Association for the fourth year of the five-year Buy Manitoba program.<br>• Provided $108 thousand funding through the Partner 4 Growth program to help Manitoba communities pursue opportunities to strengthen and diversify local economic activity. |

### 5 (g) Less: Recoverable from Rural Economic Development Initiatives

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Recovery | (1,755) | - | (2,298) | 543 | 1 |
| **Total Sub-Appropriation** | **(1,755)** | - | **(2,298)** | **543** | |

1. *The variance is due to lower than anticipated recoveries from Value-Added and Rural Economic Advancement from vacant positions and their associated operating costs.*

## Appropriation 5 (h) – Rural Economic Development Initiatives (REDI)

Rural Economic Development Initiatives (REDI) provides funding for rural and northern development projects and strategic economic initiatives to encourage economic growth, job creation and diversification. These funds are designed to provide a boost to the economy while laying the foundation for sustained growth and development.

| PRIORITY 1 – FOOD SECURITY, PRODUCTION AND SAFETY |
|---|
| **Objective G: Increase the safety of food and food products from the farm to the back door of the retailer.** |
| Expected Results:<br>• The provincially operated meat inspection program meets consumer and operator expectations. |
| Actual Results:<br>• Funding of $1.29 million was provided for meat inspection services including the monitoring of meat safety, animal health and the humane treatment of animals in provincial abattoirs. |

| PRIORITY 2 – ECONOMIC OPPORTUNITIES |
|---|
| **Objective A: Increase the value of food processing in Manitoba to $5 billion by 2020.** |
| Expected Results:<br>• Thirty per cent of Manitoba consumers to be aware of the Buy Manitoba brand.<br>• Ten per cent increase in market share of Manitoba food products. |
| Actual Results:<br>• Consumer awareness of the Buy Manitoba program reached 30 per cent in 2013, with a presence in more than 60 retail grocery and restaurant outlets. Ten participating companies have added 64 direct full time equivalent jobs with estimated total processing value of approximately $16.9 million.<br>• Funding of $335.5 thousand was provided to the Manitoba Food Processors Association for the fourth year of the five-year Buy Manitoba program.<br>• REDI contributed $81.3 thousand to Food Matters Manitoba for the implementation of the Local Sustainable Food Procurement pilot project to develop and support increased local food purchases at an institutional level among government and non-government purchasers across the province.<br>• The food purchases for seven voluntary institutional participants are being tracked and documented to determine the dollar value of local sustainable foods currently being purchased for establishing a benchmark of current local sustainable food procurement. Concurrently, resource materials that identify the sources and other relevant purchasing information for local foods are being developed to help institutional purchasers increase purchases of local foods. |

| **Objective B: Position Manitoba as a Canadian leader in development of healthy foods (consumer-ready, functional foods, etc.)** |
|---|
| Expected Results:<br>• Contribute $40 thousand to the St. Boniface Research Centre for a study of the effects of Chaga mushrooms and birch tree sap in the treatment of Type 2 Diabetes. |
| Actual Results:<br>• Provided the third and final contribution of $40 thousand to the St. Boniface Research Centre for a study of the effects of Chaga mushrooms and birch tree sap in the treatment of Type 2 diabetes. |

| **Objective C: Increase the economic impact of secondary and tertiary businesses serving agricultural operations.** |
|---|
| Expected Results:<br>• Facilitate 50 loans for rural economic development through $5 million in loan guarantees. |

- Private investment of $1 million in two community-based enterprise development projects through personal income tax credits.

Actual Results:

- The Rural Entrepreneur Assistance Program approved 25 loan guarantees in 2013/14 with a total value of $2.7 million.
- Private investment of $76.5 thousand is expected from the one application and four inquiries regarding Manitoba's Community Enterprise Development Tax Credit program.

Additional Results:

- Two Grow Bond issues for Acrylon Plastics Inc. in Winkler are still being administered until April 15, 2017 for a total of $2.5 million.

**Objective E: Support Rural Manitoba's capacity to drive economic development.**

Expected Results:

- Five projects related to rural community economic development will be supported through the Rural Development Institute.
- Support Hometown Manitoba applications, providing $225 thousand in financial support and leveraging an additional $1 million in capital investment in rural and northern communities, to enhance the physical appearance of main street public areas, building exteriors and greening initiatives.
- $2.984 million applied towards upgrades of municipal water and sewage treatment infrastructure for 30 rural communities.
- $1.165 million provided to 18 conservation districts covering more than 60 per cent of agroManitoba to develop programs to manage the natural resources of their area effectively.
- $1.850 million provided to create meaningful career-oriented summer employment opportunities for 750 students and youth in rural and northern Manitoba that improves neighbourhoods, promote community involvement and help develop young leaders.
- $36 thousand contributed to the Manitoba Chamber of Commerce for the Youth Entrepreneurs' Challenge to teach more than 150 Manitoba high school students entrepreneurial skills.
- Improve the employability of 300 youth receiving income assistance or facing multiple barriers to employment.
- $155 thousand provided to 68 Manitoba communities for the operation of handi-van services in rural Manitoba to enable mobility disadvantaged citizens to live more independently.
- $844 thousand provided to 270 not-for-profit groups for facility construction, upgrading, expansion or acquisition projects, which offer sustainable benefits to communities.
- $818 thousand to the Dutch elm disease management program to minimize the impact of the disease on urban elm trees in rural communities in order to maintain tree canopies that provide wind reduction, shade, wildlife habitat, cleaner air and beauty to the urban landscape.
- Contribute $250 thousand to the Brandon and Thompson Neighbourhood Renewal Corporations to support renewal efforts through community economic development.

Actual Results:

- Community engagement and knowledge transfer resulted from the completion of two research projects, 15 conferences and workshops, seven outreach projects and five community events funded through the $110 thousand grant provided to Rural Development Institute. The provincial investment was leveraged more than 3.2 times in 2013/14.
- Municipalities and local organizations completed 100 projects to enhance the main street public places and building exteriors in rural Manitoba. Manitoba invested $174.7 thousand, which leveraged an additional $2.16 million in capital investment for Hometown Manitoba projects.
- REDI provided funding of $2.98 million through the Manitoba Water Services Board for rural communities to develop safe, sustainable water and sewage treatment infrastructure.
- REDI contributed funding of $1.17 million through Manitoba Conservation and Water Stewardship to 18 conservation districts to develop programs to manage the natural resources of their area effectively.
- REDI contributed $1.81 million to the Green Team program, which enabled the approval of 484 Hometown Green Team positions and 263 Conservation Green Team positions for youth.

- REDI provided $155 thousand to the Mobility Disadvantaged Transportation Program, administered by Manitoba Municipal Government, to support the operation of 69 handi-van services in 163 communities in Manitoba to enable mobility disadvantaged citizens to live more independently.
- Manitoba Housing and Community Development administered REDI funds of $844 thousand for the Community Places program. The program provided funding and planning assistance of $2.9 million for 241 community projects for facility construction, upgrading, expansion or acquisition projects, which offer sustainable benefits to communities. This funding helped to leverage $17 million in funding from other sources.
- Manitoba Conservation and Water Stewardship administered REDI funds of $829 thousand for Dutch elm disease (DED) management in thirty-four communities that have significant urban elm populations and within a large DED buffer zone around Winnipeg and a buffer zone around Brandon.
- Provided $250 thousand through The Neighbourhoods Alive! program to support community-driven neighbourhood revitalization efforts through the operation of Neighbourhood Renewal Corporations in Brandon and Thompson.

Additional Results:

- REDI provided $20.73 million in financial support for 151 economic development/business projects leveraging $52.77 million in investment to boost Manitoba's rural economy and give rural communities and businesses the tools to help them grow.
- REDI provided $375 thousand to the Keystone Centre in Brandon for operating funding and debt servicing.
- Manitoba Conservation and Water Stewardship administered REDI funds of $238.4 thousand for the suppression of the spruce budworm outbreak and to protect the long-term wood supply in northwestern and eastern Manitoba.
- REDI contributed $390 thousand in financial assistance to planning districts and municipalities under the Community Planning Assistance Program (part of Manitoba's Livestock Stewardship Initiative) for the preparation of planning bylaws, public involvement in the planning process and the creation of digital parcel mapping to support land use policy and implementation.
- REDI provided $996.5 thousand to the Manitoba Horse Racing Commission to support 42 summer rural harness racing days across Manitoba for the 2013 and 2014 racing seasons.
- REDI contributed $150 thousand to Travel Manitoba to foster development, growth and diversity in the tourism industry.
- REDI provided $100 thousand to The Winnipeg Foundation to enhance the presence of Manitoba's community foundations. Currently, The Winnipeg Foundation is managing 340 funds worth $62 million for 33 Manitoba community foundations.
- Provided $20 thousand to the Provincial Exhibition of Manitoba toward agriculture related activities at the 2014 Royal Manitoba Winter Fair.
- Provided $83.7 thousand to support development work towards a comprehensive Brandon Regeneration Strategy focusing on the redevelopment of the downtown area.
- REDI contributed $238.1 thousand toward the Zebra Mussel Eradication and Containment program in four harbours located on Lake Winnipeg to protect the lake and the health of the commercial fishery industry.

**Objective F: Co-ordinate economic development support with Canada, municipalities and other players.**

Expected Results:

- Provide $110 thousand to Community Economic Development activities/services in 15 northern communities.
- Assist two communities to develop an economic development strategy/plan.

Actual Results:

- Community Economic Development and business planning assistance was provided to 15 northern Manitoba communities through the Communities Economic Development Fund.

- More than 49 local governments participated in 16 community economic development planning workshops. Of these, 38 municipalities and First Nations participated in the Regional Economic Analysis Process to identify regional strengths and strategies to grow their local economies.
- REDI contributed $5.0 thousand to the Parkland Agricultural Resource Co-op for developing business cases for specific sectors as part of phase four of a regional growth strategy for the Parkland area.
- REDI provided funding of $108 thousand to the Partner 4 Growth program for Manitoba communities to pursue opportunities to strengthen and diversify local economic activity.

**PRIORITY 3 – AGRICULTURAL RESOURCE BASE**

**Objective B: Decrease phosphorus loss from agricultural operations.**

Expected Results:

- Improvement of the long-term viability, competitiveness, and environmental performance of the livestock industry in Manitoba.

Actual Results:

- REDI funding of $1.35 million was provided in support of the Manure Management Financial Assistance Program to pig producers in Manitoba. This funding was intended to help pig producers in Manitoba eliminate winter application of manure, minimize the risk of leakage from manure storage structures and land-apply manure according to soil test phosphorus thresholds.

**PRIORITY 4 – SCIENCE, INNOVATION AND ADAPTATION**

**Objective C: Accelerate commercialization of research supported in Manitoba.**

Expected Results:

- $1.08 million provided to support the commercialization of 10 new agriproducts/innovations.

Actual Results:

- REDI provided funding of $1.08 million for the development of new products/innovations through the Commercialization Support for Business Program that Manitoba Jobs and the Economy administered.

## 5 (h) Rural Economic Development Initiatives

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Rural Economic Development Initiatives | 21,432 | - | 21,400 | 32 | |
| **Total Sub-Appropriation** | **21,432** | - | **21,400** | **32** | |

# Appropriation 6
# Costs Related to Capital Assets

## Appropriation 6 (a) – Amortization Expense

The department must comply with Public Sector Accounting Board (PSAB) standards and government policies and guidelines respecting the treatment of tangible capital assets.

| |
|---|
| **Objective: To comply with Canadian Institute of Chartered Accountants standards that requires that expenditures on tangible capital assets be amortized over the useful life of the asset.** |
| Expected Results:<br>• Recognition of amortization consistent with government and PSAB policies and guidelines.<br>• Allocate the cost of capital assets consistent with the period of service and useful life of the asset. Charges for Tangible Capital Assets amortized and expensed as required and reported as part of the statement of operations. |
| Actual Results:<br>• Amortization costs in 2013/14 were recorded consistent with government and PSAB guidelines.<br>• Charges for amortization were recorded consistent with the period of service and useful life of the asset. |

## Appropriation 6 (b) – Interest expense

To provide for interest costs related to capital investment decisions made by the department.

| |
|---|
| **Objective: To provide for interest costs related to capital investment decisions made by the department.** |
| Expected Results:<br>• To reflect interest costs accurately on borrowings related to investments in tangible capital assets. |
| Actual Results:<br>• Interest costs are accurately reflected in the statement of operations and consistent with the period of service and useful life of the department's tangible capital assets. |

### 6 Costs Related to Capital Assets

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| (a) Amortization Expense | 423 | - | 437 | (14) | |
| (b) Interest Expense | 77 | - | 81 | (4) | |
| **Total Appropriation** | **500** | - | **518** | **(18)** | |

# SECTION ONE

# PART B

# CAPITAL INVESTMENT

# INFORMATION

## Part B – Capital Investment

To provide for the acquisition of tangible capital assets needed in the Veterinary Diagnostic Services laboratory to protect human health from zoonotic diseases and animal health from serious diseases.

| |
|---|
| **Objective: To provide for the acquisition of tangible capital assets needed in the Veterinary Diagnostic Services laboratory to protect human health from zoonotic diseases and animal health from serious diseases.** |
| Expected Results:<br>• The department will invest $250 thousand in new laboratory equipment. |
| Actual Results:<br>• During 2013/14, the department invested $157 thousand in new laboratory equipment. |
| Additional Results:<br>• The department incurred $859 thousand in capital investment costs related to land purchases under the Shoal Lakes Agricultural Flooding Assistance Program – Voluntary Buy-out program component. Additional funding of $772 thousand was allocated from 26 Capital Assets – Internal Service Adjustments to facilitate the land acquisitions under the program. |

### Part B - Capital Investment

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| Capital Investment | 1,016 | - | 1,022 | (6) | |
| **TOTAL** | 1,016 | - | 1,022 | **(6)** | |

# SECTION TWO

# ADDITIONAL FINANCIAL

# INFORMATION

# AND APPENDICES

## Appendix A: Financial Information
## Manitoba Agriculture, Food and Rural Development
## Expenditure Summary
for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

| Estimate 2013/14 | Appropriation | Actual 2013/14 | Actual 2012/13 | Increase/ (Decrease) | Expl. No. |
|---|---|---|---|---|---|
| | **PART A - OPERATING** | | | | |
| | **03-1 ADMINISTRATION AND FINANCE** | | | | |
| 37 | (a) Minister's Salary | 37 | 37 | - | |
| | (b) Executive Support | | | | |
| 679 | (1) Salaries and Employee Benefits | 605 | 880 | (275) | 1 |
| 66 | (2) Other Expenditures | 80 | 70 | 10 | |
| 30 | (3) Policy Studies | 18 | 28 | (10) | |
| | (c) Strategic Planning and Corporate Information Directorate | | | | |
| 565 | (1) Salaries and Employee Benefits | 399 | 431 | (32) | |
| 133 | (2) Other Expenditures | 93 | 74 | 19 | |
| | (d) Financial and Administrative Services | | | | |
| 1,134 | (1) Salaries and Employee Benefits | 1,017 | 1,065 | (48) | |
| 334 | (2) Other Expenditures | 248 | 264 | (16) | |
| | (e) Information Technology Services | | | | |
| 863 | (1) Salaries and Employee Benefits | 821 | 805 | 16 | |
| 195 | (2) Other Expenditures | 186 | 196 | (10) | |
| 4,036 | Subtotal 03-1 | 3,504 | 3,850 | (346) | |

## Appendix A: Financial Information
## Manitoba Agriculture, Food and Rural Development
## Expenditure Summary
for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

| Estimate 2013/14 | Appropriation | Actual 2013/14 | Actual 2012/13 | Increase/ (Decrease) | Expl. No. |
|---|---|---|---|---|---|
| | **03-2 POLICY AND AGRI-INNOVATION** | | | | |
| | (a) Policy Development and Analysis | | | | |
| 2,661 | (1) Salaries and Employee Benefits | 2,323 | 2,649 | (326) | |
| 469 | (2) Other Expenditures | 368 | 361 | 7 | |
| | (b) Agri-Innovation and Adaptation | | | | |
| 1,268 | (1) Salaries and Employee Benefits | 1,153 | 1,119 | 34 | |
| 330 | (2) Other Expenditures | 231 | 253 | (22) | |
| 4,115 | (3) Grant Assistance | 2,468 | 1,765 | 703 | 2 |
| | (c) Boards, Commissions and Legislation | | | | |
| 586 | (1) Salaries and Employee Benefits | 554 | 487 | 67 | |
| 229 | (2) Other Expenditures | 308 | 200 | 108 | 3 |
| 400 | (d) Agricultural Sustainability Initiative | 344 | 498 | (154) | |
| 10,058 | Subtotal 03-2 | 7,749 | 7,332 | 417 | |

## Appendix A: Financial Information
## Manitoba Agriculture, Food and Rural Development
## Expenditure Summary

for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

| Estimate 2013/14 | Appropriation | Actual 2013/14 | Actual 2012/13 | Increase/ (Decrease) | Expl. No. |
|---|---|---|---|---|---|
| | **03-3 RISK MANAGEMENT, CREDIT AND INCOME SUPPORT PROGRAMS** | | | | |
| | (a) Manitoba Agricultural Services Corporation | | | | |
| 8,472 | (1) Administration and Lending Costs | 711 | 11,284 | (10,573) | 4 |
| 67,163 | (2) AgriInsurance | 68,936 | 61,251 | 7,685 | 5 |
| 1,618 | (3) Wildlife Damage Compensation | 1,692 | 1,544 | 148 | |
| 28,771 | (b) Agricultural Income Stabilization | 44,233 | 63,321 | (19,088) | 6 |
| 34,272 | (c) Farmland School Tax Rebate | 32,522 | 39,351 | (6,829) | 7 |
| (725) | (d) Less: Recoverable from Rural Economic Development Initiatives | 93 | (438) | 531 | 8 |
| 139,571 | Subtotal 03-3 | 148,187 | 176,313 | (28,126) | |

## Appendix A: Financial Information
## Manitoba Agriculture, Food and Rural Development
## Expenditure Summary

for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

| Estimate 2013/14 | Appropriation | Actual 2013/14 | Actual 2012/13 | Increase/ (Decrease) | Expl. No. |
|---|---|---|---|---|---|
| | **03-4 AGRI-INDUSTRY DEVELOPMENT AND ADVANCEMENT** | | | | |
| | (a) Livestock Industry | | | | |
| 4,945 | (1) Salaries and Employee Benefits | 4,445 | 4,869 | (424) | |
| 1,751 | (2) Other Expenditures | 1,750 | 1,695 | 55 | |
| 495 | (3) Grant Assistance | 473 | 488 | (15) | |
| | (b) Chief Veterinary Office/Food Safety | | | | |
| 3,655 | (1) Salaries and Employee Benefits | 3,033 | 2,519 | 514 | 9 |
| 2,010 | (2) Other Expenditures | 2,059 | 2,216 | (157) | |
| | (c) Crop Industry | | | | |
| 2,663 | (1) Salaries and Employee Benefits | 2,603 | 3,020 | (417) | 10 |
| 1,146 | (2) Other Expenditures | 718 | 790 | (72) | |
| 51 | (3) Grant Assistance | - | - | - | |
| | (d) Agri-Environment | | | | |
| 1,218 | (1) Salaries and Employee Benefits | 1,167 | 1,013 | 154 | |
| 256 | (2) Other Expenditures | 186 | 172 | 14 | |
| 3,579 | (3) Manure Management Financial Assistance | 3,033 | 6,378 | (3,345) | 11 |
| (3,300) | (e) Less: Recoverable from Rural Economic Development Initiatives | (2,644) | (1,367) | (1,277) | 12 |
| 18,469 | Subtotal 03-4 | 16,823 | 21,793 | (4,970) | |

## Appendix A: Financial Information
## Manitoba Agriculture, Food and Rural Development
## Expenditure Summary

for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

| Estimate 2013/14 | Appropriation | Actual 2013/14 | Actual 2012/13 | Increase/ (Decrease) | Expl. No. |
|---|---|---|---|---|---|
| | **03-5 AGRI-FOOD AND RURAL ECONOMIC DEVELOPMENT** | | | | |
| | (a) Growing Opportunities Centres | | | | |
| 10,240 | (1) Salaries and Employee Benefits | 9,644 | 9,637 | 7 | |
| 4,446 | (2) Other Expenditures | 3,527 | 4,052 | (525) | 13 |
| 376 | (3) Grant Assistance | 358 | 368 | (10) | |
| | (b) Value-Added and Rural Economic Advancement | | | | |
| 2,319 | (1) Salaries and Employee Benefits | 1,748 | 2,292 | (544) | 14 |
| 909 | (2) Other Expenditures | 542 | 465 | 77 | |
| 2,020 | (c) Food Development Centre | 2,020 | 1,995 | 25 | |
| | (d) Food Commercialization and Marketing | | | | |
| 927 | (1) Salaries and Employee Benefits | 746 | 739 | 7 | |
| 278 | (2) Other Expenditures | 178 | 139 | 39 | |
| 1,015 | (e) Infrastructure Development Grants | 1,015 | 515 | 500 | 15 |
| 359 | (f) Food Industry Development | 336 | 395 | (59) | |
| (2,298) | (g) Less: Recoverable from Rural Economic Development Initiatives | (1,755) | (1,853) | 98 | |
| 21,400 | (h) Rural Economic Development Initiatives | 21,432 | 17,453 | 3,979 | 16 |
| 41,991 | Subtotal 03-5 | 39,791 | 36,197 | 3,594 | |

## Appendix A: Financial Information
## Manitoba Agriculture, Food and Rural Development
## Expenditure Summary
for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

| Estimate 2013/14 | Appropriation | Actual 2013/14 | Actual 2012/13 | Increase/ (Decrease) | Expl. No. |
|---|---|---|---|---|---|
| | **03-6 COSTS RELATED TO CAPITAL ASSETS** | | | | |
| 437 | (a) Amortization Expense | 423 | 419 | 4 | |
| 81 | (b) Interest Expense | 77 | 81 | (4) | |
| 518 | Subtotal 03-6 | 500 | 500 | - | |
| 214,643 | **TOTAL (PART A)** | 216,554 | 245,985 | (29,431) | |
| | **PART B - CAPITAL INVESTMENT** | | | | |
| | **3. CAPITAL ASSETS** | | | | |
| 250 | General Assets | 157 | 208 | (51) | |
| 772 | Land | 859 | 9,947 | (9,088) | 17 |
| 1,022 | **TOTAL (PART B)** | 1,016 | 10,155 | (9,139) | |

## Appendix A: Financial Information
## Manitoba Agriculture, Food and Rural Development
## Expenditure Summary

for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

| Expenditures by Sub-Appropriation | Actual 2013/14 $(000s) | Estimate 2013/14 FTEs | Estimate 2013/14 $(000s) | Variance Over/(Under) $(000s) | Expl. No. |
|---|---|---|---|---|---|
| 1. Administration and Finance | 3,504 | 42.00 | 4,036 | (532) | |
| 2. Policy and Agri-Innovation | 7,749 | 54.00 | 10,058 | (2,309) | |
| 3. Risk Management, Credit and Income Support Programs | 148,187 | - | 139,571 | 8,616 | |
| 4. Agri-Industry Development and Advancement | 16,823 | 147.50 | 18,469 | (1,646) | |
| 5. Agri-Food and Rural Economic Development | 39,791 | 176.50 | 41,991 | (2,200) | |
| 6. Costs Related To Capital Assets | 500 | - | 518 | (18) | |
| **TOTAL EXPENDITURES** | **216,554** | **420.00** | **214,643** | **1,911** | |

## Appendix A: Financial Information
## Manitoba Agriculture, Food and Rural Development
## Expenditure Summary

for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

***Explanations:***

1. *The variance is mainly due to one-time retirement related costs in 2012/13 and vacancies in 2013/14.*
2. *The increase is primarily the result of a one-time 2013/14 grant of $1.0 million to the St. Boniface Hospital Foundation for the purchase of a nuclear magnetic resonance digital spectrometer made as part of the province's commitment under the Growing Forward 2 agreement. This was partially offset by the discontinuation of the Agri-Food Research and Development Initiative program - $(350).*
3. *The variance is mainly due to higher legal costs in 2013/14 related to the amalgamation/consolidation of functions of agricultural boards/agencies under* The Government Efficiencies Act *on March 1, 2014.*
4. *The variance is mainly due to a net decrease in loan guarantee provisions in 2013/14, primarily resulting from improvements in the livestock sector.*
5. *The 2013/14 increase in AgriInsurance is primarily the result of the increased premium rates due to changes in insured crop values, producer participation rates and probable yields.*
6. *Agricultural Income Stabilization reflects Manitoba's that share expenses are down from 2012/13. These can vary significantly as a result of global economic and local weather conditions, which affect farm income. The total costs recorded in 2013/14 were $44,233, including $29,814 for AgriStability and $14,419 for AgriInvest compared to the total costs recorded in 2012/13 of $63,321, including $44,551 for AgriStability and $18,770 for AgriInvest.*
7. *The variance is mainly the result of the 2013/14 changes in the application deadline and restricting of applications to Manitoba residents. This is partially offset by a 2.5 per cent increase in school tax levies on farmland for 2013/14 and an increase in administration costs due to the program changes.*
8. *The decrease in recoveries is mainly due to a 2013/14 reduction in the provision required for loan guarantees under the Rural Entrepreneur Assistance Program and lower interest costs related to the Community Works Loan Program.*
9. *The variance is mainly due to a combination of unanticipated retirement/resignations and slower than anticipated filling of vacancies.*
10. *The variance is mainly due to a combination of unanticipated retirement/resignations and slower than anticipated filling of vacancies.*
11. *The variance is primarily due to a reduced budget in 2013/14 compared to 2012/13. A reduction of $(3,929) in federal grants was made in 2013/14 to reflect the maximum contribution of $2,079 in the final year of the three-year AgriFlexibility Agreement for this program.*
12. *The increase in recoveries is mainly due to the new recovery in 2013/14 for costs associated with the provincial Meat Inspection Services Program.*

## Appendix A: Financial Information
## Manitoba Agriculture, Food and Rural Development
## Expenditure Summary

for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

13. *The decrease from prior year is mainly due to the continuation of expenditure management measures in 2013/14, the elimination of positions in the 2013/14 fiscal year, which resulted in lower general operating costs, and a 2012/13 one-time costs associated with the Bifrost Excess Water Management Initiative.*

14. *The variance is mainly due to vacant positions that occurred in 2013/14.*

15. *The increase from the prior year is mainly the result of a one-time reduction of $500 to Infrastructure Development Grants as a result of a 2012/13 Program Portfolio Management Review decision to limit project allocations.*

16. *The increase in REDI expenditures from the previous fiscal year can mainly be attributed to the combined impact of the differences in the projects approved in the year from unallocated strategic initiatives and the impact of new or non-recurring programs/projects in 2013/14.*

17. *The decrease in capital investment reflects costs associated with the Shoal Lakes Agriculture Flooding Assistance Program – Voluntary Buy-Out Program, which provides an option for Shoal Lakes Complex producers to sell their flooded property and/or farm unit to government. In 2013/14, seven land purchases were made compared to 47 in 2012/13.*

# Appendix B
# Manitoba Agriculture, Food and Rural Development
# Reconciliation Statements

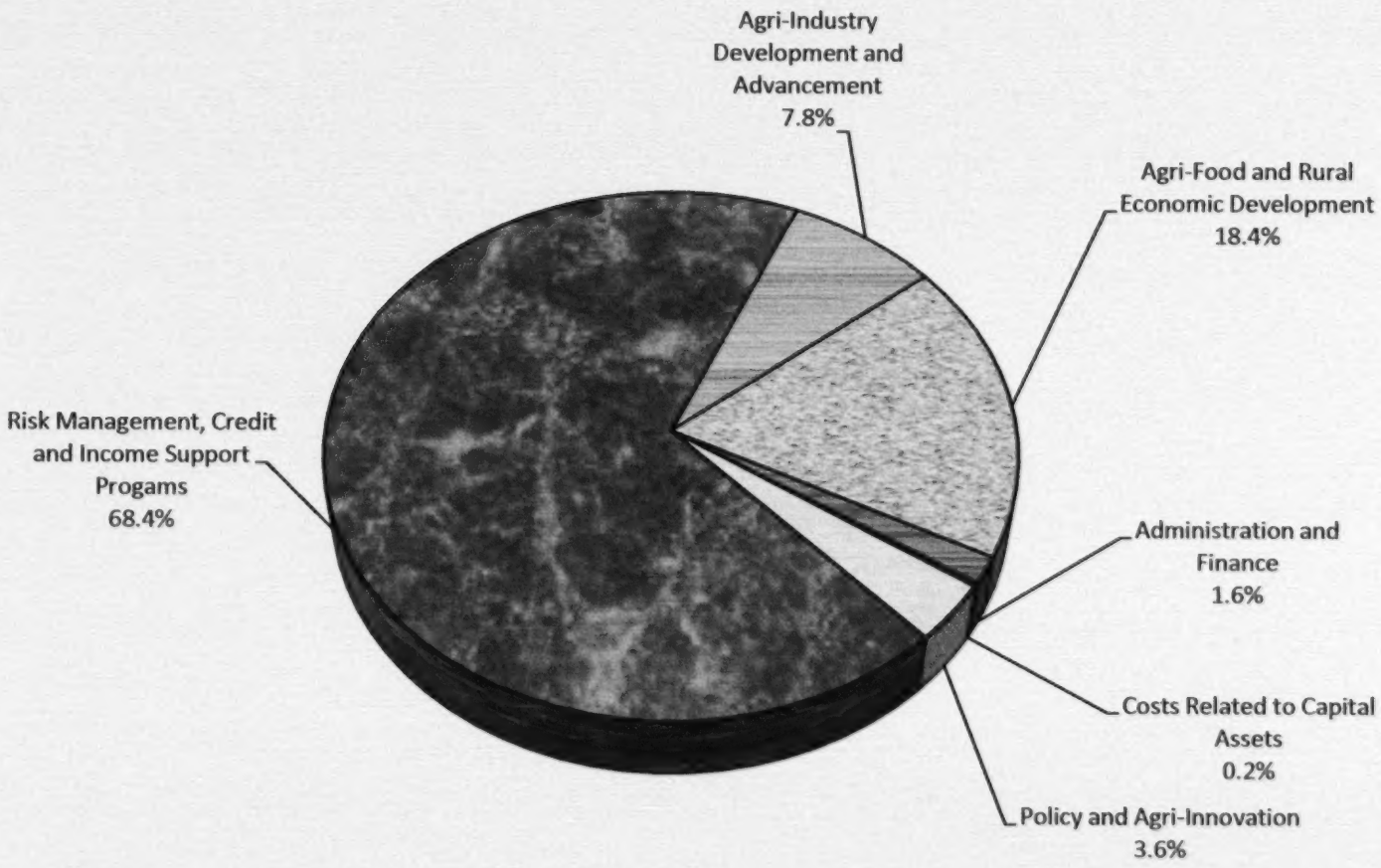
## Part A - Operating

| DETAILS | 2013/2014 ESTIMATES $(000's) |
|---|---|
| **2013/14 MAIN ESTIMATES - PART A** | 214,643 |
| **Allocation of funds from:** | |
| **- Enabling Appropriations** | - |
| **2013/2014 ESTIMATES** | **214,643** |

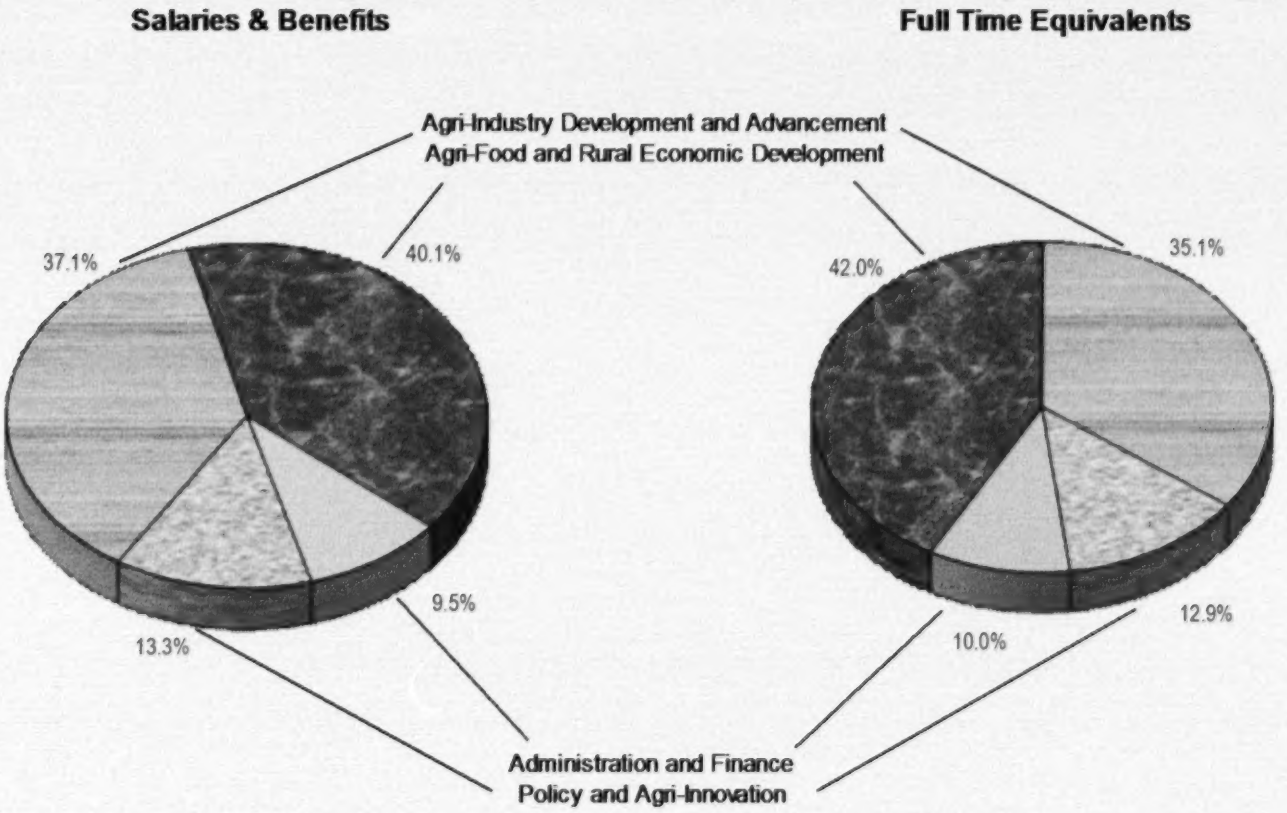
## Part B - Capital Investment

| DETAILS | 2013/2014 ESTIMATES $(000's) |
|---|---|
| **2013/14 MAIN ESTIMATES - PART B** | 250 |
| **Allocation of funds from:** | |
| **- Enabling Appropriations** | |
| • Internal Service Adjustments | 772 |
| **2013/2014 ESTIMATES** | **1,022** |

## Appendix C
## Manitoba Agriculture, Food and Rural Development
## Distribution by Main Appropriation
## 2013/14 Expenditures


Agri-Industry Development and Advancement 7.8%
Agri-Food and Rural Economic Development 18.4%
Risk Management, Credit and Income Support Progams 68.4%
Administration and Finance 1.6%
Costs Related to Capital Assets 0.2%
Policy and Agri-Innovation 3.6%

## Appendix D
## Manitoba Agriculture, Food and Rural Development
## Percentage Distribution of Salaries & Employee Benefits
## And Full Time Equivalents - 2013/14



## Appendix E
## Manitoba Agriculture, Food and Rural Development
## Revenue Summary

for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

| Actual 2013/14 | Actual 2012/13 | Increase/ (Decrease) | Expl. No. | | Actual 2013/14 | Estimate 2013/14 | Increase/ (Decrease) | Expl. No. |
|---|---|---|---|---|---|---|---|---|
| | | | | **CURRENT OPERATING PROGRAMS:** | | | | |
| | | | | **Government of Canada:** | | | | |
| 1 | - | 1 | | Rabies Indemnity | 1 | 2 | (1) | |
| - | 48 | (48) | 1 | Agricultural Income Stabilization | - | 99 | (99) | 10 |
| - | 1,142 | (1,142) | 2 | Food Safety Initiative | - | - | - | |
| - | 443 | (443) | 3 | Soil Survey Program | - | - | - | |
| 1,681 | 700 | 981 | 4 | Manure Management Financial Assistance Program | 1,681 | 2,079 | (398) | 11 |
| - | 145 | (145) | 5 | Bifrost Excess Water Management Initiative | - | - | - | |
| - | - | - | | Agri-Recovery - Avian Influenza | - | - | - | |
| 4,452 | (2,277) | 6,729 | 6 | Agri-Recovery - 2011 Excess Moisture Programs | 4,452 | - | 4,452 | 12 |
| - | 133 | (133) | 7 | Agri-Flexibility - National Meat Hygiene Pilot Program | - | - | - | |
| 25 | - | 25 | 8 | Community Pastures Program | 25 | - | 25 | 13 |
| 6,159 | 334 | 5,825 | | Sub-Total | 6,159 | 2,180 | 3,979 | |
| | | | | **Other Revenue:** | | | | |
| 3,036 | 3,029 | 7 | | (a) Fees | 3,036 | 3,202 | (166) | |
| 26 | 156 | (130) | 9 | (b) Sundry | 26 | 47 | (21) | 14 |
| 3,062 | 3,185 | (123) | | Sub-Total | 3,062 | 3,249 | (187) | |
| 9,221 | 3,519 | 5,702 | | Total Department Revenue | 9,221 | 5,429 | 3,792 | |

## Appendix E
## Manitoba Agriculture, Food and Rural Development
## Revenue Summary

for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

***Explanations:***

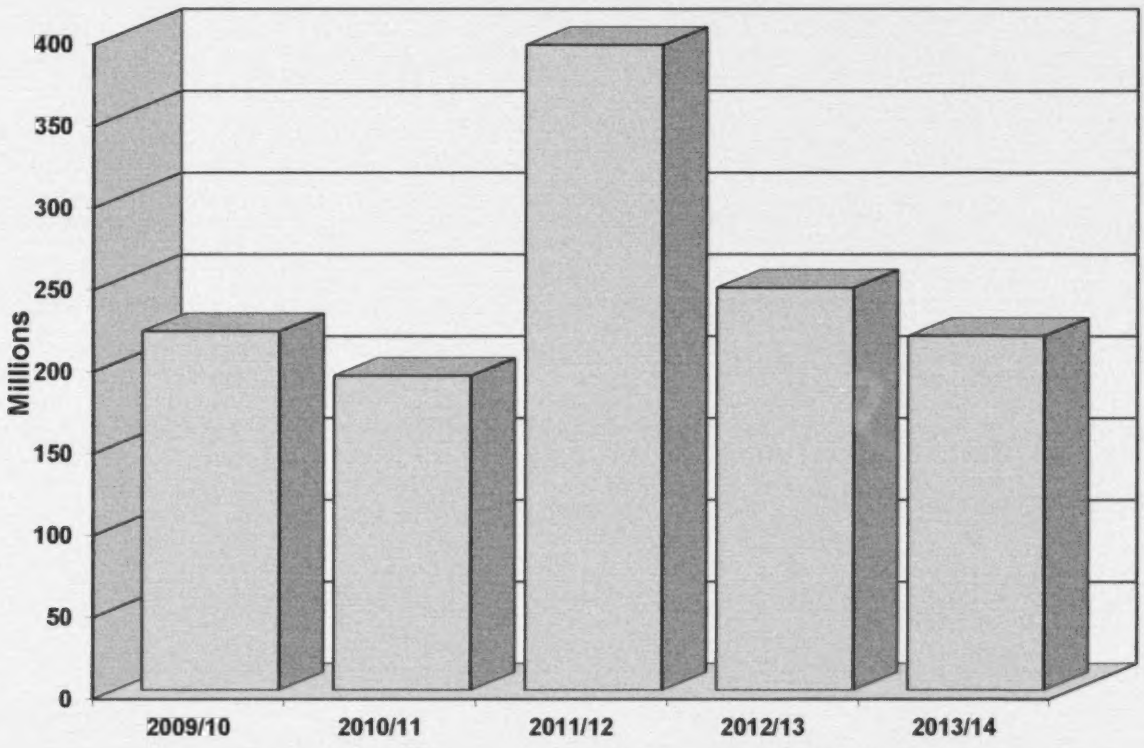
1. *The decrease is mainly due to a delay in compiling the 2013/14 billing to the federal government as a result of a shortfall in administrative resources.*
2. *The federal contributions for this program ended in 2012/13 as the Growing Forward agreement ended March 31, 2013. Food safety initiatives are being delivered through federal programming under the new Growing Forward 2 agreement.*
3. *The federal contributions for this program ended in 2012/13 as the Growing Forward agreement ended March 31, 2013. Provincial soil survey program costs are eligible for matching under the Growing Forward 2 agreement.*
4. *The variance represents recoveries from the federal government for eligible costs and adjustments made for the Manure Management Financial Assistance Program in 2012/13 ($700) compared to 2013/14 ($1,681). The agreement ended March 31, 2014.*
5. *The department signed a cost-shared AgriFlexibility Agreement with the federal government for the first phase of the Bifrost Excess Water Management Initiative. This phase of the project ended in 2012/13 and no further revenue is anticipated by the department.*
6. *The increase in revenue related to the Excess Moisture Programs is mainly due to a 2013/14 claim for $4,599 in costs associated with agricultural producers funded through the Building and Recovery Action Plan, which were deemed eligible under the existing contribution agreements for the 2011 AgriRecovery – Excess Moisture Programs. These costs were non-shareable under the Disaster Financial Assistance Agreement. As the program winds down and more payments are made to producers, cost estimates and associated revenue projections have become more precise. All 2011 AgriRecovery programs are now forecasted at a cost of $134,071, which is down $1,511 from the projection as at March 31. 2013. An adjustment of $(147) was made to federal revenue to reflect the more recent estimated total costs for shareable programs ($69,933 in 2012/13 compared to $69,786 in 2013/14). In 2011/12, the department recorded a total of $72.2M in revenue from Canada under the agreement for 2011 Excess Moisture programming and administration in 2011/12 based on forecasted costs totalling $141.4M. In 2012/13, cost estimates were revised to $135.6M, with revenue totalling $69.9M, and the associated decrease in federal revenue was recorded - $(2,277).*
7. *The federal government reimbursed the province for expenses incurred during the 2011/12 and 2012/13 fiscal years related to Winnipeg Old Country Sausage upgrading and expanding their existing Winnipeg facility to meet federal standards for the interprovincial trade of meat products under the National Meat Hygiene Pilot Project.*
8. *Agriculture and Agri-Food Canada (AAFC) has agreed to contribute $25 towards costs of the Community Pastures Business Plan review. This is the result of the federal divestiture of the Community Pastures Program. Manitoba has a Memorandum of Understanding with AAFC that provides for the federal contribution. This revenue will partially offset an expense of Manitoba's payment to the Association of Manitoba Community Pastures related to the costs of the business plan review.*
9. *The decrease is mainly due to a salary recovery for a departmental employee in an interchange program with the federal government that occurred in 2012/13 and did not occur in 2013/14.*

## Appendix E
## Manitoba Agriculture, Food and Rural Development
## Revenue Summary

for the fiscal year ended March 31, 2014 with comparative figures for the previous fiscal year ($000s)

10. *The variance represents recovery of the federal share (60 per cent) of MAFRD staff time and resources used by the province in program administration and assisting producers with applications and payment calculations under the AgriStability and AgriInvest programs. The 2013/14 billing to the federal government has been delayed due to a lack of administrative resources and will be compiled in 2014/15.*
11. *The decrease in revenue related to the Manure Management Financial Assistance Program resulted from under-expenditures in provincial costs. The AgriFlexibility agreement outlines a 60 per cent federal and 40 per cent provincial cost-share, which resulted in only $1,681 of the $2,079 in treatment project costs to be recovered. Some manure storage project costs came in lower than anticipated and some projects did not proceed. All payments are based on actual expenditures incurred.*
12. *The province recorded a total of $4.5M in 2013/14 revenue from Canada to reflect contribution agreements to cost-share anticipated expenses incurred for 2011 AgriRecovery programs for agricultural producers. An adjustment of $(147) was made to federal revenue to reflect more recent estimated total costs for shareable programs.*
13. *The increase is due to Agriculture and Agri-Food Canada agreeing to contribute $25 towards costs of the Community Pastures Business Plan review.*
14. *The decrease is primarily the result of no 4-H Program revenue being received as the procedure changed in 2013/14 when the Canadian 4-H Council's agreement with AAFC was renewed and the Province of Manitoba was not allowed to be the recipient of the AAFC funding.*

## Appendix F
## Manitoba Agriculture, Food and Rural Development
## Five Year Expenditure History
## For Years Ending March 31, 2010 to March 31, 2014



## Appendix G
## Manitoba Agriculture, Food and Rural Development
## Five Year Expenditure and Staffing Summary by Main Appropriation
for the fiscal years ending March 31, 2010 to March 31, 2014

| | | Actual / *Adjusted Expenditures | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Main Appropriation | 2009/10 FTEs | $(000's) | 2010/11 FTEs | $(000's) | 2011/12 FTEs | $(000's) | 2012/13 FTEs | $(000's) | 2013/14 FTEs | $(000's) |
| 3-1 | Administration and Finance | 31.00 | 2,384 | 31.00 | 2,555 | 31.00 | 2,580 | 42.00 | 3,850 | 42.00 | 3,504 |
| 3-2 | Policy and Agri-Innovation | 89.00 | 9,542 | 89.50 | 8,541 | 89.50 | 14,465 | 54.00 | 7,332 | 54.00 | 7,749 |
| 3-3 | Risk Management, Credit and Income Support Programs | - | 145,793 | - | 123,857 | - | 322,476 | - | 176,313 | - | 148,187 |
| 3-4 | Agri-Industry Development and Advancement | 147.23 | 19,028 | 146.72 | 18,608 | 146.73 | 18,961 | 147.50 | 21,793 | 147.50 | 16,823 |
| 3-5 | Agri-Food and Rural Economic Development | 196.00 | 42,061 | 193.00 | 38,194 | 193.00 | 35,295 | 176.50 | 36,197 | 176.50 | 39,791 |
| 3-6 | Costs Related to Capital Assets | - | 564 | - | 474 | - | 487 | - | 500 | - | 500 |
| Total Departmental Appropriations | | 463.23 | 219,372 | 460.22 | 192,229 | 460.23 | 394,264 | 420.00 | 245,985 | 420.00 | 216,554 |

* Figures have been adjusted to reflect historical data on a comparable basis during the years under review as follows:

1. *In 2013/14 the department's programs and services were realigned to best meet local community and industry needs and to meet the department's mandate. The actual expenditures for years prior to 2012/13 were not adjusted. The 2012/13 actuals have been adjusted and reflect the transfer of operating expenses related to agritourism development to the Department of Culture, Heritage and Tourism.*

## APPENDIX H - STATUTORY RESPONSIBILITIES OF THE MINISTER OF AGRICULTURE, FOOD AND RURAL DEVELOPMENT

The Agricultural Producers' Organization Funding Act
The Manitoba Agricultural Services Corporation Act
The Agricultural Societies Act
The Department of Agriculture, Food and Rural Development Act
The Agri-Food and Rural Development Council Act
The Agrologists Act
The Animal Care Act
The Animal Diseases Act
The Animal Liability Act
The Bee Act
The Cattle Producers Association Act
The Community Development Bonds Act
The Crown Lands Act [section 1, subsection 7.2(2), clause 7.3(2)(c), sections 7.4 to 7.6 and 35; section 4, clauses 5(1)(f), (k) and (l), subsections 5(4), sections 6 and 6.1, clause 7(1)(d), subsections 7(2) to (6), section 7.1, subsections 7.3(1) and (3) to (5), section 10, subsection 13.1(1), sections 14, 16 to 18, 21, 22, subsection 23(3), section 24, subsections 25(1) and (2), and sections 26 to 34.1 insofar as they relate to the administration of Crown lands designated by the Minister of Conservation and Water Stewardship as agricultural Crown lands, including setting fees and rents and issuing work permits but excluding other dispositions]
The Dairy Act
The Family Farm Protection Act
The Farm Income Assurance Plans Act
The Farm Lands Ownership Act
The Farm Machinery and Equipment Act
The Farm Practices Protection Act
The Farm Products Marketing Act
The Food Safety Act
The Fruit and Vegetable Sales Act
The Horse Racing Commission Act
The Income Tax Act [sections 11.8 to 11.12]
The Land Rehabilitation Act
The Livestock and Livestock Products Act
The Livestock Industry Diversification Act
The Milk Prices Review Act
The Noxious Weeds Act
The Organic Agricultural Products Act
The Pesticides and Fertilizers Control Act
The Plant Pests and Diseases Act [except clause 16(c) as it relates to arborists, and clause 16(i)]
The Property Tax and Insulation Assistance Act [Part III.1, and section 1 and Part VI as they relate to subjects covered under Part III.1]
The Veterinary Medical Act
The Veterinary Science Scholarship Fund Act
The Veterinary Services Act
The Wildlife Act [the portion of clause 89(e) that relates to compensation for damage to crops caused by wildlife as it pertains to big game and migratory waterfowl]
The Women's Institutes Act

As per Schedule "C", Order in Council

# APPENDIX I - Performance Indicators 2013/14

**AGRICULTURE, FOOD & RURAL DEVELOPMENT**

The following section provides information on key performance measures for the department for the 2013/14 reporting year. All Government of Manitoba departments include performance measures in their Annual Reports to complement the financial results and provide Manitobans with meaningful and useful information about government activities and their impact on the province and its citizens.

For more information on performance reporting and the Manitoba government, visit www.manitoba.ca/performance

Your comments on performance measures are valuable to us. You can send comments or questions to mbperformance@gov.mb.ca.

Manitoba Agriculture, Food and Rural Development (MAFRD) reports annually on five performance indicators. These measures provide the public and the department with both a current snapshot and a trend of that performance measure over a set period of time. The information is important to the department as the indicators provide a high level view and further insight for MAFRD as it undertakes programming and services.

| What is being measured and using what indicator? (A) | Why is it important to measure this? (B) | Where are we starting from (baseline measurement)? (C) | What is the 2013/14 result (current year) or most recent available data? (D) | What is the trend over time? (E) | Comments /Recent Actions/Report Links(F) |
|---|---|---|---|---|---|
| Productivity change in selected crops. | Increased productivity over time contributes to competitiveness and profitability of Manitoba agricultural producers as well as increasing food security for Manitobans. | 2007-2011 Average<br><br>Five year average wheat yield (bushels/acre) in MB: 43.8<br><br>Five year average canola yield (bushels/acre) in MB 32.8 | 2009 – 2013<br><br>5 year average wheat yield (bushels/acre) in MB: 47.1<br><br>5 year average canola yield (bushels/acre) in MB 33.3 | No trend yet identified.<br><br>*Note: A longer term (e.g. 30 year) trend will be established following further analysis by the department. This will be in addition to the five year trends identified.* | |
| The uptake of farm food safety | Consumers are demanding safe food. | In 2007, 6.3% of Manitoba operations | In 2013, more than 10% of Manitoba farm | Increasing | |

| What is being measured and using what indicator? (A) | Why is it important to measure this? (B) | Where are we starting from (baseline measurement)? (C) | What is the 2013/14 result (current year) or most recent available data? (D) | What is the trend over time? (E) | Comments /Recent Actions/Report Links(F) |
|---|---|---|---|---|---|
| programming by the sector. | The ability of individual producers and entire sectors to compete in domestic and global markets is becoming more dependent on demonstrating that food safety practices are in place and are being followed. | had implemented on-farm food safety programs. | operations have implemented on-farm food safety programs.<br><br>By sector:<br>• Chicken: 100%<br>• Pigs: 100%<br>• Eggs: 100%<br>• Potatoes: 100%<br>• Broiler Breeders: 100%<br>• Turkey: 100%<br>• Dairy: 100%<br>• Small Fruit: 30%<br>• Vegetables: 25%<br>• Cattle: 4.1%<br>• Grain: .25%<br>• Sheep: .25% | | |
| The size of the food and beverage manufacturing sector in Manitoba. | Total value of agri-food processing is an indicator of the additional value extracted from Manitoba-produced commodities. Additional processing in Manitoba (versus shipping raw commodities) creates jobs and additional wealth. | 2008: $3,877 million | 2012: $$4,596 million | Manufacturing revenues have increased. | |
| Producer action to identify and mitigate environmental risks in their farm operation. | Recognizing environmental risks and setting out a plan of action to mitigate | 2005/06 – 3,400 people attended workshops<br>2005/06 – 1,317 | 2013/2014 - 292 producers attended workshops of which 174 producers were | Increasing | As of March 31, 2014, 6,139 EFPS covering more than 9.4 million acres of MB farm land |

| What is being measured and using what indicator? (A) | Why is it important to measure this? (B) | Where are we starting from (baseline measurement)? (C) | What is the 2013/14 result (current year) or most recent available data? (D) | What is the trend over time? (E) | Comments /Recent Actions/Report Links(F) |
|---|---|---|---|---|---|
| | risks is an important indicator of the capacity to produce in a sustainable manner. | environmental farm plans completed | returning to the program to update their EFP.<br><br>In 2013/14 194 environmental plans were completed with 333,503 acres assessed. | | have been completed. EFPs need to be updated every 5 years and 124 certificates totaling 240,961 acres were renewed in 2013/14. |
| Success in turning government support into commercial products and improvements. | Investments in research by government are aimed at seeing new or improved products developed that contribute to farm profitability, new products, competitiveness and additional economic activity. | Starting point will be 2013/14 investments in innovation and development. | MAFRD continued support for the Food Development Centre with funding of more than $2 million for agrifood innovation, development and commercialization:<br>▪ 5 new products were produced in the pilot plant.<br>▪ 19 new food products and ingredients were created for retail or foodservice test marketing.<br>▪ 131 nutrition labels for food products created.<br>▪ 9 HACCP plans developed, 5 revised and 14 consultations.<br><br>Total approved GF2 | No trend yet established.<br><br>*Note: A lag time will exist between investment payouts and results.* | |

| What is being measured and using what indicator? (A) | Why is it important to measure this? (B) | Where are we starting from (baseline measurement)? (C) | What is the 2013/14 result (current year) or most recent available data? (D) | What is the trend over time? (E) | Comments /Recent Actions/Report Links(F) |
|---|---|---|---|---|---|
| | | | investments in innovation were $7.65 million* in 2013/14 with total GF2 approved funding for all programs being more than $12.7 million.<br><br>**Does not include Agri-Food Research and Development Initiatives funding approval of $3.2 million that occurred in 2014/15.*<br><br>The Commercialization Support for Business (CSB) program funded investments totaling more than $216 thousand for rural and agribusinesses. | | |

## APPENDIX J - *The Public Interest Disclosure (Whistleblower Protection) Act*

*The Public Interest Disclosure (Whistleblower Protection) Act* came into effect in April 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters (wrongdoing) in the Manitoba public service, and strengthens protection from reprisal. The act builds on protections already in place under other statutes, as well as collective bargaining rights, policies, practices and processes in the Manitoba public service.

Wrongdoing under the act may be: contravention of federal or provincial legislation; an act or omission that endangers public safety, public health or the environment; gross mismanagement; or, knowingly directing or counseling a person to commit a wrongdoing. The act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith, in accordance with the act, and with a reasonable belief that wrongdoing has been or is about to be committed is considered to be a disclosure under the act, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful and thorough review to determine if action is required under the act, and must be reported in a department's annual report in accordance with section 18 of the act.

The following is a summary of disclosures received by Manitoba Agriculture, Food and Rural Development and the Food Development Centre for the fiscal year 2013/14:

| **Information Required Annually (per Section 18 of The Act)** | **Fiscal Year 2013/2014** |
|---|---|
| The number of disclosures received, and the number acted on and not acted on. *Subsection 18(2)(a)* | **NIL** |
| The number of investigations commenced as a result of a disclosure. *Subsection 18(2)(b)* | **NIL** |
| In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations or corrective actions taken in relation to the wrongdoing, or the reasons why no corrective action was taken. *Subsection 18(2)(c)* | **NIL** |

# APPENDIX K - Sustainable Development Integration

Under *The Sustainable Development Act,* each department is required to integrate into its annual report information about the progress of incorporating sustainable development into its activities.

The principles and guidelines of sustainable development as set out in the act are:

**Principles of sustainable development**

1. Integration of Environmental and Economic Decisions
2. Stewardship
3. Shared Responsibility and Understanding
4. Prevention
5. Conservation and Enhancement
6. Rehabilitation and Reclamation
7. Global Responsibility

**Guidelines of sustainable development**

1. Efficient Use of Resources
2. Public Participation
3. Access to Information
4. Integrated Decision Making and Planning
5. Waste Minimization and Substitution
6. Research and Innovation

To see the full *Sustainable Development Act* visit: web2.gov.mb.ca/laws/statutes/ccsm/s270e.php

MAFRD has a broad mandate to serve primary agriculture, the food and agri-products industry and rural communities. Within that mandate, the department has four strategic priorities that focus the department's efforts; food security, economic opportunities, agricultural resource base and science, innovation and adaption. These strategic priorities closely align with the principles and guidelines of sustainable development.

At the heart of the department's efforts is the philosophy of extension. Through this approach, the department seeks to support changes to behaviour and practices that contribute to a more sustainable environment, stronger businesses and resilient rural communities.

The following examples illustrate actions the department has taken in 2013/14 to support the principles and guidelines of sustainable development. For more details on the department's activities and results, please refer to section 2, part A of this annual report. This section is not meant to be a complete listing of all activities that relate to sustainable development, but is meant to give an idea of the size of the department's activities.

**Landscape Management and Water Quality**

In 2013/14, MAFRD had many programs, initiatives and actions that related to landscape management and water quality. Examples include:

- Promotion of environmental farm plans (EFP) to enhance land and water stewardship. More than 290 new and returning clients attended EFP workshops, after which MAFRD issued 70 new statements of completion and 124 renewed certificates. The EFP process helps the producer assess environmental performance and risk for their specific operation and develop an action plan to enhance sustainability. Although EFPs are individual plans, the impact of actions undertaken is significant across the province.
- Extension of nutrient management beneficial management practices (BMPs) through the *4R Nutrient Stewardship* Memorandum of Understanding that was developed with the Canadian Fertilizer Institute. This extension reached more than a thousand people.

- Funding of eight projects undertaken by conservation districts under the GF2 Growing Assurance – Ecological Goods and Services program. An additional component of this is providing funding to secure EG&S through innovative delivery mechanisms (including conservation auctions) and decision tools. In 2013/14, Agri-Environment approved 46 BMP projects for $615 thousand in funding, a conservation auction for $200 thousand and the purchase of surveying and GPS equipment for $99 thousand.
- Mapping, technical, and database support for measuring manure concentrations, assessing manure storage and handling strategies, and determining the current state of manure concentration across Manitoba.
- Improving manure storage and handling to support sustainability of the pig industry. Through the Manure Management Financial Assistance Program three projects increasing manure storage, 17 projects for manure storage repairs, and seven projects for manure treatment were supported.
- Increasing the capacity of agronomists to improve soil quality, fertility and conservation to increase crop yields and nutrient uptake through demonstrating soil management concepts to agronomists and by highlighting soil conservation efforts in Manitoba at the 6th World Congress on Conservation Agriculture.
- Working with Manitoba Conservation and Water Stewardship to develop infrastructure and management recommendations for a new drainage regulation. Staff also helped to improve knowledge of on-farm and regional water management to reduce nutrient loss, drought and flooding risks.
- Sampling wash water on 13 dairy farms and produced recommendations on how to reduce phosphorus content in the water. A factsheet on BMPs was developed and released it at the spring Dairy Farmers of Manitoba meeting and provided input into provincial policy on wash water storage.
- Completing soil survey reports in the rural municipalities (RM) of Killarney-Turtle Mountain, Blanshard, Ritchot, Springfield, Roblin and DeSalaberry. Soil survey field work is underway in the RMs of Daly, Cornwallis and Langford. MAFRD prepared reports and maps for the RMs of Langford and Elton and developed soil suitability criteria and mapping for deep burial of carcasses with anthrax.
- Supporting beef producers to take on management of community pastures and to manage the grazing of these lands.

**Research and Innovation**

Research and innovation are important tools to improve the sustainability of agricultural production and value added processing. Examples of projects and activities that supported the principles and guidelines of sustainable development include:

- The Manitoba Biomass Energy Support Program, which provided 120 farms and agribusinesses across the province with more than $444 thousand in grants to switch from coal to biomass heating systems. These projects are estimated to reduce the amount of coal used by more than 4,500 tonnes every year and greenhouse gas emissions by approximately 7,000 tonnes.
- Supporting the four crop diversification centres to undertake applied research and distribute information to producers on results. One hundred and thirty five trials and demonstration projects were conducted for greater yield, crop adaptation, variety adaptation, climate and disease resilience, and fertility, and to enhance bioproduct development.
- Supporting a network of forty agriculture weather stations that provided producers with near real time weather data to support production decisions (including fertilizer and pesticide application).
- Providing advice to the Manitoba Climate Data and Atlas Initiative that resulted in maps for both historical and future climate trends for Manitoba. These maps show the climate risks that people can expect in coming years and decades.
- Increasing the adoption of BMPs that reduce greenhouse gases and identifying trends in agricultural greenhouse gas emissions and potential reduction opportunities.
- Developing a project proposal for Natural Resources Canada on a cost/benefit study of climate change adaptation responses. This proposal helped determine that both excess moisture and drought are priority climate risks to agriculture in Manitoba.

- Through Growing Forward 2 (GF2), supporting:
    - Four on-farm innovation projects for a total of $200 thousand in funding. One project included a trial of supplemental greenhouse lighting for effectiveness and efficiency, by comparing high pressure sodium (HPS) lights energy-saving to LED lights.
    - Innovation infrastructure related to sustainable development, such as Manitoba Livestock Manure Management Initiative and crop diversification centres.

**Community Economic Development and Industry Capacity**

An important principle of community economic development is the capacity of people and organizations to plan for their future, take necessary steps to achieve their vision and adapt to change. The department helped community leaders, communities and organizations in a number of ways to build this capacity:

- Communities assessed their economic potential through the Regional Economic Analysis Process (REAP) and determined the feasibility of specific ideas through the Partner 4 Growth program. MAFRD delivered seven REAP reports to seven regions involving 38 municipalities and First Nations and approved 15 projects under the Partner 4 Growth program for $130 thousand of funding.
- Two thousand youth developed organizational and leadership skills through the 4-H program.
- Leadership skills and capacity was increased through grant support of the Manitoba Women's Institute and the Manitoba Association of Agricultural Societies.
- The Growing Visions program, through GF2, was launched to help agriculture and food processing organizations assess their organizational capacity and develop strategic plans for the future. Nine organizations were helped in 2013/14, with more expressing interest for the second year.
- The department invested $174.4 thousand through the Hometown Manitoba program for community-identified improvements. This funding leveraged an additional $2.16 million in capital investment for projects.

**Human and Animal Health Protection**

The department plays a lead role in animal health and welfare protection as well as in food safety and meat inspection. These activities support the need for protecting the health of Manitobans and the province's responsibility to contribute to human and animal health protection as a member of the global community.

The department contributes to human and animal health by:

- Providing inspection services for food and meat processing. MAFRD health officers conducted 611 food safety inspections and issued permits to more than 450 food processing establishments and warehouses.
- Promoting food safety to small and medium food and meat processors and agricultural producers at the industry and farm level. Through GF2 Growing Assurance – Food Safety Food Processing and Distribution, MAFRD provided technical support and funding to Manitoba agrifood processors, distributors, transporters and direct food contact packaging manufacturers who adopt food safety programs and traceability systems.
- Maintaining and promoting a traceability system to help contain the spread of food animal diseases.
- Contributing to the National Livestock Market Interruption Strategy Steering committee and the National Disposal discussion group that work to create better processes for dealing with disease events and ways to increase market recovery after a disease outbreak.
- Adopting a One Health approach to create and deliver a rabies program with Manitoba Health and Manitoba Conservation and Water Stewardship and to deliver disease response policies and procedures for anthrax, anaplasmosis, and chronic wasting disease with other stakeholders.
- Continuing to bovine tuberculosis (bTB) risk management.
- Adding PEDv to the reportable disease regulation under *The Animal Diseases Act* allowing MAFRD to respond to the threat of PEDv to the swine industry.

**Responsible Use of Resources and Transparency**

The department is committed to using departmental resources responsibly throughout its divisions and branches. Examples of this commitment include:

- The use of video conferencing and the use of computer-to-computer technology to deliver programming, knowledge and to facilitate group meetings. This approach minimizes travel costs, travel time and $CO_2$ emissions.
- Reducing the number of the departments boards/agencies from eight to three, helping to manage corresponding costs.
- The implementation of lean management projects to identify and reduce waste in processes and to better serve the department's clients. Two lean projects undertaken in 2013/14 related to the Youth Protection Program (4-H) and the process for intake and assessment of innovation programming under GF2.
- MAFRD's strong commitment to consulting with its stakeholders. This involved both extensive consultations prior to and during the development of GF2 programming and a commitment to check-in with stakeholders annually to discuss the effectiveness of programming and changes needed.
- The department maintaining a strong internal comptrollership framework to ensure the efficient and effective use of the resources entrusted to it.